

COURT FILE NUMBER 2401-02664

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY



IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended

LL  
C51033  
May 21, 2024  
COM

AND IN THE MATTER OF THE COMPROMISE OR  
ARRANGEMENT OF LYNX AIR HOLDINGS CORPORATION  
and 1263343 ALBERTA INC. dba LYNX AIR

DOCUMENT **AFFIDAVIT OF MICHAEL WOODWARD**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**OSLER, HOSKIN & HARCOURT LLP**  
Barristers & Solicitors  
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Calgary, AB T2P 1N2

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File Number: 1246361

**AFFIDAVIT OF MICHAEL WOODWARD**  
**SWORN MAY 13, 2024**

I, Michael Woodward, of the City of Calgary, in the Province of Alberta, **MAKE OATH**  
**AND SAY THAT:**

1. I am the Chief Executive Officer and Director of my personal company that has been contracted to provide the services of Interim Chief Financial Officer ("**Interim Contractor CFO**") to Lynx Air (as that term is defined below). I have been the Interim Contractor CFO of Lynx Air since March of 2023, and since that time I have been responsible for all financial-related

Clerk's Stamp

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AND SAY THAT:**

1. I am the Chief Executive Officer and Director of my personal company that has been contracted to provide the services of Interim Chief Financial Officer ("**Interim Contractor CFO**") to Lynx Air (as that term is defined below). I have been the Interim Contractor CFO of Lynx Air since March of 2023, and since that time I have been responsible for all financial-related

aspects of Lynx Air's business. Prior to this role, I served as Chief Financial Officer of Campus Energy Partners, an energy infrastructure and supply company, and as a Vice President of BMO Capital Markets. I hold a Bachelor of Commerce in Accounting from the University of British Columbia and have obtained Chartered Accountant and Chartered Financial Analyst designations.

2. As such, I have personal knowledge of the matters to which I depose in this Affidavit, except where stated to be based on information and belief, in which case I have stated the source of my information and, in all such cases, I believe such information to be true. In preparing this Affidavit, I consulted with the Applicants' (as that term is defined below) management teams and advisors and reviewed relevant documents and information concerning the Applicants' operations and business and financial affairs.

3. I swear this Affidavit in support of the Applicants' application (the "**Application**") for:

- (a) an order (the "**BOCA Approval and Vesting Order**"), *inter alia*:
  - (i) abridging the time for service of notice of this Application (if necessary), deeming service of notice of this Application to be good and sufficient, and declaring that there is no other person who ought to have been served with notice of this Application;
  - (ii) approving the transaction (the "**BOCA Transaction**") contemplated by the asset purchase agreement between Lynx Opco and BOC Aviation (Cayman) Limited ("**BOCA**") dated May 13, 2024 (the "**BOCA APA**");
  - (iii) authorizing and approving the execution of the BOCA APA by Lynx Opco;

- (iv) authorizing and directing Lynx Opco to perform its obligations under the BOCA APA and for Lynx Opco and the Monitor to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the BOCA Transaction; and
  - (v) vesting all of Lynx Opco's right, title and interest in and to the Purchased Assets (as defined in the BOCA APA) in the name of BOCA, free and clear of all claims, except permitted encumbrances;
- a) an order (the "**AERO Approval and Vesting Order**"), *inter alia*:
- (vi) abridging the time for service of notice of this Application (if necessary), deeming service of notice of this Application to be good and sufficient, and declaring that there is no other person who ought to have been served with notice of this Application;
  - (vii) approving the transaction (the "**AERO Transaction**", and together with the BOCA Transaction, the "**Transactions**") contemplated by the asset purchase agreement between Lynx Opco and AERO3 Inc. ("**AERO**" and together with BOCA, the "**Purchasers**") dated May 10, 2024 (the "**AERO APA**", and together with the BOCA APA, the "**APAs**");
  - (viii) authorizing and approving the execution of the AERO APA by Lynx Opco;
  - (ix) authorizing and directing Lynx Opco to perform its obligations under the AERO APA and for Lynx Opco and the Monitor to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the AERO Transaction; and

- (x) vesting all of Lynx Opco's right, title and interest in and to the Purchased Assets (as defined in the AERO APA) in the name of AERO, free and clear of all claims, except permitted encumbrances; and
- (b) an order (the "**Restricted Court Access Order**") sealing the Confidential Affidavit of Michael Woodward, sworn May 13, 2024 (the "**Confidential Woodward Affidavit**") on the Court file.

**A. History of the Applicants' CCAA Proceedings**

4. On February 22, 2024, Lynx Air Holdings Corporation ("**Lynx Holdco**") and 1263343 Alberta Inc. dba Lynx Air ("**Lynx Opco**", and together with Lynx Holdco, "**Lynx Air**" or the "**Applicants**") filed an originating application under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"). Further information regarding the Applicants, the reasons leading to these CCAA proceedings, and the Applicants' intended liquidation and orderly wind down is provided in my Affidavit sworn February 22, 2024.

5. On February 22, 2024, the Honourable Justice Gill granted the Applicants an initial order under the CCAA (the "**Initial Order**"), pursuant to which the Applicants were declared companies to which the CCAA applies, FTI Consulting Canada Inc. was appointed Monitor of the Applicants (the "**Monitor**"), and an initial stay of proceedings until March 4, 2024, was granted (the "**Initial Stay**").

6. On March 1, 2024, the Honourable Justice Whitling granted the Applicants an amended and restated initial order (the "**ARIO**") that, amongst other things, extended the Initial Stay to April 15, 2024 (the "**Stay Period**"). The Honourable Justice Whitling also granted an order

approving the Applicants’ sale and investment solicitation process (the “SISP” and “SISP Order”).

7. The Stay Period was subsequently extended by further orders of this Court and was most recently extended until June 28, 2024. Copies of the Initial Order, ARIO, and SISP Order are attached hereto respectively as Exhibits “A”, “B”, and “C”.

**B. The Applicants’ Solicitation Efforts<sup>1</sup>**

8. Following the commencement of these CCAA proceedings and approval by this Court of the SISP on March 1, 2024, the Applicants conducted the SISP in consultation with the Monitor. The SISP contemplated the following milestones, among others, each of which could be modified by the Monitor as permitted in the SISP:

<b>Date</b>	<b>Event</b>
March 1, 2024	Monitor and Lynx Air to create list of Pre-Qualified Known Potential Bidders
By no later than March 4, 2024	Monitor to prepare and have available for Pre-Qualified Known Potential Bidders the Data Room
By no later than March 8, 2024	Monitor to distribute Teaser and NDAs to Pre-Qualified Known Potential Bidders
By no later than April 1, 2024 at 5:00pm	Binding Bid Deadline
By no later than April 5, 2024 at 5:00pm	Auction (if required)
By no later than April 7, 2024	Definitive documentation
By no later than April 10, 2024	Approval Application – Successful Bid(s), if required
April 12, 2024	Outside Date - Closing

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<sup>1</sup> All capitalized terms used in this section and not otherwise defined herein have the meanings given to them in the SISP.

9. The SISP solicited interest in, and opportunities for, one or more sales of the Applicants' remaining valuable assets. The Applicants' primary assets included:

- (a) nine leased Boeing 737 MAX 8 aircraft and three leased CFM LEAP-1B25 spare engines (collectively, the "**Aircraft Leases**");
- (b) Purchase Agreement No. PA-04427 between The Boeing Company ("**Boeing**") and Lynx Opco (the "**Boeing Purchase Agreement**") which included 29 aircraft remaining to be delivered;
- (c) equipment installed or to be installed on aircraft scheduled to be delivered in 2024 pursuant to a commitment letter dated February 23, 2022 between Lynx Opco and BOC Aviation Limited (the "**BOCA BFE**");
- (d) an agreement between Lynx Opco and CFM International, Inc. to purchase four LEAP1B25 engines (the "**Engine Purchase Agreement**"); and
- (e) other miscellaneous aircraft equipment and parts (the "**Miscellaneous Equipment**").

10. The SISP also contemplated a very short time frame due to the repossession rights afforded to lessors under the *Convention on International Interests in Mobile Equipment*, 16 November 2001, UNTS Vol 2307,1-41143 at 285 (entered into force 1 March 2006) and the *Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment*, 16 November 2001, UNTS Vol 2367,1-41143 at 517 (entered into force 1 March 2006) (collectively, the "**Cape Town Convention and Protocol**").

11. Further, given the confidential and commercially sensitive business information contained in the Boeing Purchase Agreement, the SISP Order and the SISP procedures attached thereto contained the following provisions:

- (a) the Boeing Purchase Agreement could not be made available in the virtual data room (the “**VDR**”) or provided to any party without the express written consent of Boeing until such time as the terms of the SISP were amended to the satisfaction of Boeing in its sole discretion or as may be ordered by the Court; and
- (b) the VDR could only be made available by the Monitor to each Pre-Qualified Known Potential Bidder (as that term is defined in the SISP) who executed a non-disclosure agreement with Lynx Air and Boeing, only after reaching an agreement with Boeing on appropriate and acceptable confidentiality protections and terms of access.

12. On April 2, 2024, the Applicants sought, and were granted by the Honourable Justice Sidnell, an order (the “**Termination Agreement Order**”) approving a termination agreement and mutual release between Boeing and Lynx Opco in respect of the Boeing Purchase Agreement (the “**Termination Agreement**”). The Boeing Purchase Agreement was thereby removed from the SISP. Attached hereto as **Exhibit “D”** is a copy of the Termination Agreement Order. Further information regarding the Termination Agreement and the Termination Agreement Order is provided in my Affidavit sworn March 25, 2024.

13. Shortly thereafter, it became clear that the lessors to the Aircraft Leases (the “**Lessors**”) would also not consent to the assignment of their respective Aircraft Leases, and as such, the aircraft would be returned in accordance with the terms of *Cape Town Convention and Protocol*.



14. By May 8, 2024, the Applicants and all six Lessors individually entered into termination agreements with respect to their Aircraft Leases.

15. As a result of the foregoing, the Applicants' remaining valuable assets contemplated by the SISP included: (i) the BOCA BFE; (ii) the Engine Purchase Agreement; and (iii) the Miscellaneous Equipment. The Applicants, in conjunction with the Monitor, approached 6 Pre-Qualified Known Potential Bidders and received bids from: (i) 3 Pre-Qualified Known Potential Bidders on or around April 5, 2024, for the Miscellaneous Equipment; and (ii) 6 Pre-Qualified Known Potential Bidders on or around April 8, 2024, for the Engine Purchase Agreement. With respect to the BOCA BFE, the Applicants only approached BOCA due to certain equipment being already installed on BOCA aircraft. To remove the equipment for bids from other Pre-Qualified Known Potential Bidders would be impractical and prohibitively costly.

16. Immediately thereafter, the Applicants and the Monitor began negotiations of the terms of the Successful Bids and immediately began negotiating the terms of the Transactions contemplated by the APAs. By May 10, 2024 and May 13, 2024, the AERO APA and BOCA APA, respectively, were made between Lynx Opco and each Purchaser.

17. On May 9, 2024, after several weeks of negotiations and the preparation of a draft sale agreement, CFM International, Inc. unexpectedly terminated negotiations regarding the Engine Purchase Agreement and advised the Applicants that they would oppose efforts to assign the Engine Purchase Agreement to an assignee. As a result, the Applicants are considering their options with respect to the Engine Purchase Agreement.

18. I understand that the Monitor will provide further details of the conduct of the SISP in the Fourth Report of the Monitor, to be filed (the “**Fourth Report**”). I also understand that the Monitor will be providing a confidential summary and discussion of the Successful Bids received.

**C. Approval of the Agreements**

19. As set out above, the highest and best offers in respect of the Applicants’ remaining valuable assets are the offers made by BOCA under the BOCA APA and AERO under the AERO APA, summarized as follows:

<b>Key Term</b>	<b>Asset Purchase Agreement</b>
<b><i>The BOCA Agreement</i></b>	
Purchaser	BOCA
Purchased Asset	In respect of certain aircrafts to be purchased pursuant to the commitment letter dated February 23, 2022 between BOCA, the Purchaser, and Lynx Opco, the equipment installed or to be installed on such aircrafts at delivery as more particularly described in Schedule “A” (the “ <b>Equipment</b> ”) and all books and records related to or used or held for use in connection with the Equipment, including: (a) quality control records and procedures; (b) written engineering standards and specifications; and (c) all other documents, files, correspondence and other information relating to the Equipment whether written, printed or electronically stored.
Excluded Liabilities	Any and all taxes, including Sales Tax, customs duties, rates, levies, assessments, reassessments and other charges, together with all penalties, interest and fines with respect thereto, payable to any governmental authority, arising out of or relating to Lynx Opco’s ownership or operation of the Purchased Assets prior to closing.
Outside Date of Closing	No later than four business days after the conditions set forth in Article 6 have been satisfied or waived by the applicable party, or such other date as agreed to by the parties in writing.
<b><i>The AERO Agreement</i></b>	

Purchaser	AERO
Purchased Asset	The existing inventory of Boeing 737-MAX aircraft Collins and Safran wheels and brakes as more particularly described in Schedule “A” (the “ <b>Wheels and Brakes</b> ”) and all books and records related to or used or held for use in connection with the Wheels and Brakes, including: (a) quality control records and procedures; (b) written engineering standards and specifications; and (c) all other documents, files, correspondence and other information relating to the Wheels and Brakes whether written, printed or electronically stored.
Excluded Liabilities	Any and all taxes, including Sales Tax, customs duties, rates, levies, assessments, reassessments and other charges, together with all penalties, interest and fines with respect thereto, payable to any governmental authority, arising out of or relating to Lynx Opco’s ownership or operation of the Purchased Assets prior to closing.
Outside Date of Closing	No later than four business days after the conditions set forth in Article 6 have been satisfied or waived by the applicable party, or such other date as agreed to by the parties in writing.

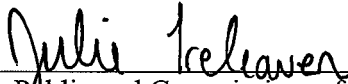
20. I understand from my discussions with the Monitor and the Applicants’ counsel that the APAs represent the best possible outcome for the Applicants, its creditors, and other stakeholders in these circumstances. The execution of the APAs represents the culmination of extensive solicitation efforts on the part of the Applicants and the Monitor. The APAs are supported by Indigo Northern Ventures LP, the interim lender and senior secured creditor of the Applicants.

21. A redacted copy of the BOCA APA and the AERO APA is attached hereto as **Exhibits “E” and “F”**. The unredacted copies of the APAs contains highly confidential and commercially sensitive information, such as payment amounts and other confidential business information, which could materially harm the interests of the Applicants and the Purchasers if disclosed. The Applicants therefore seek a Restricted Court Access Order to seal the Confidential Woodward Affidavit, which attaches an unredacted copy of each APA.

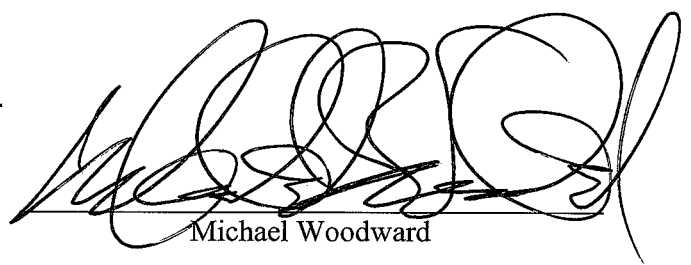
**D. Conclusion**

22. I make this Affidavit in support of the relief sought in the Application and for no other improper purpose.

SWORN BEFORE ME at Calgary, Alberta,  
this 13<sup>th</sup> day of May, 2024.



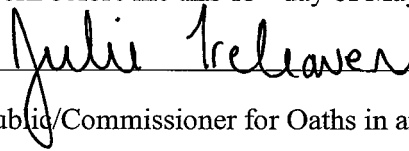
Notary Public and Commissioner for Oaths in  
and for the Province of Alberta



Michael Woodward

**Julie Laura Treleaven**  
Barrister & Solicitor

This is **Exhibit "A"** to the Affidavit of Michael Woodward  
sworn before me this 13<sup>th</sup> day of May 2024.



Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Treloven**  
Barrister & Solicitor

COURT FILE NUMBER 2401- 02664

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Clerk's Stamp

C21780

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File Number: 1246361

**DATE ON WHICH ORDER WAS PRONOUNCED:**

February 22, 2024

**JUSTICE WHO MADE THIS ORDER:**

The Honourable Justice Gill

**LOCATION WHERE ORDER WAS PRONOUNCED:**

Edmonton, Alberta

**UPON THE APPLICATION** of Lynx Air Holdings Corporation and 1263343 Alberta Inc. dba Lynx Air (the “**Applicants**”); **AND UPON** having read the Originating Application, the Affidavit of Michael Woodward sworn February 22, 2024 (the “**Woodward Affidavit**”), the Confidential Affidavit of Michael Woodward sworn February 22, 2024, and the Affidavit of Service of Elena Pratt, to be filed; **AND UPON** reading the consent of FTI Consulting Canada Inc. (“**FTI**”) to act as Monitor; **AND UPON** being advised that the secured creditors who are likely to be affected by the charges created herein have been provided notice of this application and either do not oppose or alternatively consent to the within; **AND UPON** hearing counsel for Indigo Northern Ventures LP (the “**Interim Lender**”), counsel for FTI, and counsel for any other party present at the application; **IT IS HEREBY ORDERED AND DECLARED THAT:**

#### **SERVICE**

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today.

#### **APPLICATION**

2. The Applicants are companies to which the *Companies’ Creditors Arrangement Act* of Canada (the “**CCAA**”) applies.

#### **PLAN OF ARRANGEMENT**

3. The Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (the “**Plan**”).

#### **POSSESSION OF PROPERTY AND OPERATIONS**

4. The Applicants shall:
  - (a) remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”);

- (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of their business (the “**Business**”) or their Property;
  - (c) be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order; and
  - (d) be entitled to continue to utilize the central cash management system currently in place as described in the Affidavit of Michael Woodward sworn February 22, 2024 or replace it with another substantially similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.
5. To the extent permitted by law, the Applicants shall be entitled but not required to make the following advances or payments of the following expenses, incurred prior to or after this Order:
- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case



incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and

- (b) the reasonable fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges, including for periods prior to the date of this Order.

6. Except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicants following the date of this Order.

7. The Applicants shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority that are required to be deducted from employees' wages, including, without limitation, amounts in respect of:
  - (i) employment insurance,
  - (ii) Canada Pension Plan,
  - (iii) Quebec Pension Plan, and
  - (iv) income taxes,

but only where such statutory deemed trust amounts arise after the date of this Order, or are not required to be remitted until after the date of this Order, unless otherwise ordered by the Court;

- (b) all goods and services or other applicable sales taxes (collectively, “**Sales Taxes**”) required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
  - (c) any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and that are attributable to or in respect of the carrying on of the Business by the Applicants.
- 8. Until such time as a real property lease is disclaimed or resiliated in accordance with the CCAA, the Applicants may pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated by the Applicants from time to time for the period commencing from and including the date of this Order (“**Rent**”), but shall not pay any rent in arrears.
- 9. Except as specifically permitted in this Order, the Applicants are hereby directed, until further order of this Court:
  - (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of the date of this Order;
  - (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and
  - (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

## RESTRUCTURING

10. The Applicants shall, subject to such requirements as are imposed by the CCAA, and such covenants as may be contained in the Definitive Documents (as hereinafter defined in paragraph 34), have the right to:

- (a) permanently or temporarily cease, downsize or shut down any portion of their business or operations and to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$250,000 in the aggregate, provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to the Applicants (within the meaning of section 36(5) of the CCAA), shall require authorization by this Court in accordance with section 36 of the CCAA;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate on such terms as may be agreed upon between the Applicants and such employee, or failing such agreement, to deal with the consequences thereof in the Plan;
- (c) disclaim or resiliate, in whole or in part, with the prior consent of the Monitor (as defined below) or further Order of the Court, their arrangements or agreements of any nature whatsoever with whomsoever, whether oral or written, as the Applicants deem appropriate, in accordance with section 32 of the CCAA, excepting any aircraft purchase agreement between the Applicants and any airplane manufacturer, as any such agreement may be amended and supplemented from time to time, which shall not be disclaimed, resiliated or amended without the prior consent of the Interim Lender and the Monitor, or upon further order of the Court.; and
- (d) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

11. Pursuant to section 5(5) of the Wage Earner Protection Program Act (Canada), SC 2005, c 47, s 1 ("WEPPA"), the Applicants and their collective former employees meet the criteria prescribed by section 3.2 of the Wage Earner Protection Program Regulations, SOR/2008-222 and are individuals to whom the WEPPA applies as of the date of this Order.
12. The Applicants shall provide each of the relevant landlords with notice of the Applicants' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal. If the landlord disputes the Applicants' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicants, or by further order of this Court upon application by the Applicants on at least two (2) days' notice to such landlord and any such secured creditors. If the Applicants disclaim or resiliate the lease governing such leased premises in accordance with section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute other than Rent payable for the notice period provided for in section 32(5) of the CCAA, and the disclaimer or resiliation of the lease shall be without prejudice to the Applicants' claim to the fixtures in dispute.
13. If a notice of disclaimer or resiliation is delivered pursuant to section 32 of the CCAA, then:
  - (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicants and the Monitor 24 hours' prior written notice; and
  - (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicants in respect of such lease or leased premises and such landlord shall be entitled to

notify the Applicants of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

#### **NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY**

14. Until and including March 4, 2024, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, except with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

15. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (including any airport, airport authority, Nav Canada or other air navigation service providers, travel agents, tour operators, general sales agents, ground handling services, ground handling equipment, aircraft and equipment maintenance suppliers and personnel (including Delta TechOps and Delta Air Lines, Inc.), fuel suppliers, catering, and all persons involved in the collection and distribution of monies in connection with passenger and air cargo operations) (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided that nothing in this Order shall:
  - (a) empower the Applicants to carry on any business that the Applicants are not lawfully entitled to carry on;

- (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA;
  - (c) prevent the filing of any registration to preserve or perfect a security interest;
  - (d) prevent the registration of a claim for lien; or
  - (e) exempt the Applicants from compliance with statutory or regulatory provisions relating to health, safety or the environment.
16. Nothing in this Order shall prevent any party from taking an action against the Applicants where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

#### **NO INTERFERENCE WITH RIGHTS**

17. During the Stay Period, no Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

#### **CONTINUATION OF SERVICES**

18. During the Stay Period, all Persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
  - (b) oral or written agreements or arrangements with either of the Applicants, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services (including aircraft and equipment maintenance services), utility or other services to the Business or the Applicants

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be

required by the Applicants or exercising any other remedy provided under such agreements or arrangements. The Applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with the payment practices of the Applicants, or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

#### **NON-DEROGATION OF RIGHTS**

19. Nothing in this Order has the effect of prohibiting a Person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person, other than the Interim Lender (as hereinafter defined) where applicable, be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants.

#### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

20. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA and paragraph 16 of this Order, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date of this Order and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

#### **DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

21. The Applicants shall indemnify their directors and officers against obligations and

liabilities that they may incur as directors and or officers of the Applicants after the commencement of the within proceedings except to the extent that, with respect to any officer or director, the obligation was incurred as a result of the director's or officer's gross negligence or wilful misconduct. Without limiting the generality of the foregoing, for purposes of this Order "officer" shall include the Applicants' contractor providing the services of a Chief Financial Officer.

22. The directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$500,000, as security for the indemnity provided in paragraph 21 of this Order. The Directors' Charge shall have the priority set out in paragraphs 38 and 40 herein.
23. Notwithstanding any language in any applicable insurance policy to the contrary:
  - (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and
  - (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 21 of this Order.

#### **APPOINTMENT OF MONITOR**

24. FTI is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property, Business, and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein. The Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the



assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

25. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:
- (a) monitor the Applicants' receipts and disbursements, Business and dealings with the Property;
  - (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the Applicants;
  - (c) assist the Applicants, to the extent required by the Applicants, in its dissemination to the Interim Lender and its counsel on a periodic basis as required by the Definitive Documents of financial and other information as agreed to between the Applicants and the Interim Lender which may be used in these proceedings, including reporting on a basis as reasonably required by the Interim Lender;
  - (d) advise the Applicants in their preparation of the Applicants' cash flow statements and reporting required by the Interim Lender, which information shall be reviewed with the Monitor and delivered to the Interim Lender and its counsel on a periodic basis, but not less than weekly, or as otherwise agreed to by the Interim Lender;
  - (e) advise the Applicants in their development of the Plan and any amendments to the Plan;
  - (f) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
  - (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form and other financial documents of the Applicants to the extent that is necessary to adequately assess the Property,

Business, and financial affairs of the Applicants or to perform their duties arising under this Order;

- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (i) hold funds in trust or in escrow, to the extent required, to facilitate settlements between the Applicants and any other Person; and
- (j) perform such other duties as are required by this Order or by this Court from time to time.

26. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation or regulation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order be deemed to be in possession of any of the Property within the meaning of any federal or provincial environmental legislation.

27. The Monitor shall provide any creditor of the Applicants with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the

Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

28. In addition to the rights and protections afforded the Monitor under the CCAA or as an Officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
29. The Monitor, counsel to the Monitor, and counsel to the Applicants shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements related to these CCAA proceedings), in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a semi-monthly basis and, in addition, the Applicants are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicants, retainers in the respective amounts of \$100,000, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.
30. The Monitor and its legal counsel shall pass their accounts from time to time.
31. The Monitor, counsel to the Monitor, if any, and the Applicants' counsel, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$500,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 38 and 40 hereof.

## **INTERIM FINANCING**

32. The Applicants are hereby authorized and empowered to obtain and borrow under a credit

facility from the Interim Lender in order to finance the Applicants' working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed USD\$750,000 unless permitted by further order of this Court.

33. Such credit facility shall be on the terms and subject to the conditions set forth in the interim financing term sheet between the Applicants and the Interim Lender made as of February 21, 2024 (the "**Commitment Letter**").
34. The Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs, and security documents, guarantees and other definitive documents (together with the Commitment Letter, the "**Definitive Documents**"), as are contemplated by the Commitment Letter or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities, and obligations to the Interim Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.
35. The Interim Lender shall be entitled to the benefits of and is hereby granted a charge (the "**Interim Lender's Charge**") on the Property to secure all obligations under the Definitive Documents incurred on or after the date of this Order which charge shall not exceed the aggregate amount advanced on or after the date of this Order under the Definitive Documents. The Interim Lender's Charge shall not secure any obligation existing before this the date this Order is made. The Interim Lender's Charge shall have the priority set out in paragraphs 38 and 40 hereof.
36. Notwithstanding any other provision of this Order:
  - (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender's Charge or any of the Definitive Documents;
  - (b) upon the occurrence of an event of default under the Definitive Documents or the

Interim Lender's Charge, the Interim Lender, upon three (3) days' notice (or such other period as set out in the Definitive Documents) to the Applicants and the Monitor, may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the Commitment Letter, Definitive Documents, and the Interim Lender's Charge, including without limitation, to cease making advances to the Applicants and set off and/or consolidate any amounts owing by the Interim Lender to the Applicants against the obligations of the Applicants to the Interim Lender under the Commitment Letter, the Definitive Documents or the Interim Lender's Charge, to make demand, accelerate payment, and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and

- (c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

- 37. The Interim Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the Bankruptcy and Insolvency Act of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.

#### **VALIDITY AND PRIORITY OF CHARGES**

- 38. The priorities of the Administration Charge and the Interim Lender's Charge, as between them, shall be as follows:

First – Administration Charge (to the maximum amount of \$500,000);

Second – Interim Lender's Charge;

Third – Directors' Charge (to the maximum amount of \$500,000).

39. The filing, registration or perfection of the the Administration Charge, the Interim Lender's Charge, and the Directors' Charge (collectively, the "**Charges**") shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
40. Each of the Administration Charge, the Interim Lender's Charge, and Directors' Charge (each as constituted and defined herein) shall constitute a charge on the Property and subject always to section 34(11) of the CCAA the Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person. Without limiting the generality of the foregoing, and subject to further Order of this Court, the Charges shall not rank in priority to the interests of any aircraft lessor or financier as described in paragraphs 70 and 71 of the Woodward Affidavit.
41. Except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or pari passu with, the Administration Charge, the Interim Lender's Charge, or the Directors' Charge unless the Applicants also obtain the prior written consent of the Monitor, the Interim Lender, and the beneficiaries of the Administration Charge and the Directors' Charge, or further order of this Court.
42. The Administration Charge, the Commitment Letter, the Definitive Documents, and the Interim Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the Interim Lender thereunder shall not otherwise be limited or impaired in any way by:
  - (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
  - (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;

- (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
- (d) the provisions of any federal or provincial statutes; or
- (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) that binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:
  - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof, including the Commitment Letter or the Definitive Documents, shall create or be deemed to constitute a new breach by the Applicants of any Agreement to which they are a party;
  - (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges, the Applicants entering into the Commitment Letter, or the execution, delivery or performance of the Definitive Documents; and
  - (iii) the payments made by the Applicants pursuant to this Order, including the Commitment Letter or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

## **ALLOCATION**

43. Any interested Person may apply to this Court on notice to any other party likely to be affected for an order to allocate the Charges amongst the various assets comprising the Property.

## SERVICE AND NOTICE

44. The Monitor shall (i) without delay, publish in the Calgary Herald and the Globe and Mail a notice containing the information prescribed under the CCAA; (ii) within five (5) days after the date of this Order (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than \$1,000 and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with section 23(1)(a) of the CCAA and the regulations made thereunder.
45. The Monitor shall establish a case website in respect of the within proceedings at <http://cfcanada.fticonsulting.com/lynxair>.

## GENERAL

46. The Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
47. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Monitor will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Monitor's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
48. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager or a trustee in bankruptcy of the Applicant, the Business or the Property.
49. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such



assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

50. Each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Monitor is authorized and empowered to act as a representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
51. Any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
52. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

  
Justice of the Court of King's Bench of Alberta

This is **Exhibit "B"** to the Affidavit of Michael Woodward  
sworn before me this 13<sup>th</sup> day of May 2024.

  
\_\_\_\_\_

Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Treleaven**  
Barrister & Solicitor

COURT FILE NUMBER 2401-02664

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

Clerk's Stamp

IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended

KK

AND IN THE MATTER OF THE COMPROMISE OR  
ARRANGEMENT OF LYNX AIR HOLDINGS CORPORATION  
and 1263343 ALBERTA INC. dba LYNX AIR

DOCUMENT **AMENDED AND RESTATED INITIAL ORDER**

ADDRESS FOR  
SERVICE AND  
CONTACT **OSLER, HOSKIN & HARCOURT LLP**  
Barristers & Solicitors  
Brookfield Place, Suite 2700  
225 6 Ave SW  
Calgary, AB T2P 1N2

Solicitors: Randal Van de Mosselaer / Julie Treleaven  
Telephone: (403) 260-7000 / 7048  
Email: [RVandemosselaer@osler.com](mailto:RVandemosselaer@osler.com) / [JTreleaven@osler.com](mailto:JTreleaven@osler.com)  
File Number: 1246361

**DATE ON WHICH ORDER WAS PRONOUNCED:** March 1, 2024

**JUSTICE WHO MADE THIS ORDER:** The Honourable Justice Whitling

**LOCATION WHERE ORDER WAS PRONOUNCED:** Edmonton, Alberta

**UPON THE APPLICATION** of Lynx Air Holdings Corporation and 1263343 Alberta Inc. dba Lynx Air (the "**Applicants**"); **AND UPON** having read the Application, the Affidavit of Michael Woodward sworn February 22, 2024 (the "**First Woodward Affidavit**"), the Confidential Affidavit of Michael Woodward sworn February 22, 2024, the Affidavit of Micheal Woodward sworn February 28, 2024 (the "**Second Woodward Affidavit**"), and the Confidential Affidavit of Michael Woodward sworn February 28, 2024 (the "**Second Confidential Woodward Affidavit**"); **AND UPON** reading the First Report of FTI Consulting Canada Inc. ("**FTI**") in its capacity as monitor of the Applicants (the "**Monitor**"), filed February 28, 2024; **AND UPON** hearing the submissions of counsel for the Applicants, counsel for Indigo Northern Ventures LP (the "**Interim Lender**"), counsel for the Monitor, and counsel for any other party present at the application; **AND**

UPON reviewing the initial order granted in the within proceedings pursuant to the *Companies' Creditors Arrangement Act (Canada)* (the "CCAA") by the Honourable Justice Gill on February 22, 2024 (the "**Initial Order**");

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. The time for service of the notice of application for this order (the "**Order**") is hereby abridged and deemed good and sufficient and this application is properly returnable today.

**DEFINED TERMS**

2. Capitalized terms used but not otherwise defined shall have the meaning given to such terms in the Initial Order.

**APPLICATION**

3. The Applicants are companies to which the CCAA applies.

**PLAN OF ARRANGEMENT**

4. The Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (the "**Plan**").

**POSSESSION OF PROPERTY AND OPERATIONS**

5. The Applicants shall:
  - (a) remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**");
  - (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") or their Property;
  - (c) be authorized and empowered to continue to retain and employ the employees,

consultants, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order; and

- (d) be entitled to continue to utilize the central cash management system currently in place as described in the Affidavit of Michael Woodward sworn February 22, 2024 or replace it with another substantially similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. To the extent permitted by law, the Applicants shall be entitled but not required to make the following advances or payments of the following expenses, incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the reasonable fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges, including for periods prior to the date of this Order.

7. Except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:
  - (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
  - (b) payment for goods or services actually supplied to the Applicants following the date of this Order.
  
8. The Applicants shall remit, in accordance with legal requirements, or pay:
  - (a) all amounts which could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* (Canada) or any similar provision of the *Canada Pension Plan*, the *Employment Insurance Act*, or any provision of any provincial legislation that has a purpose similar to subsection 224(1.2) of the *Income Tax Act* or that refers to subsection 224(1.2) of the *Income Tax Act* in respect of any amounts that arise and are payable on or after February 22, 2024;
  - (b) all goods and services or other applicable sales taxes (collectively, “**Sales Taxes**”) required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes accrued or were collected on or after February 22, 2024, or, where such Sales Taxes accrued or were collected prior to February 22, 2024 but were not required to be remitted until after February 22, 2024; and
  - (c) any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured

creditors and that are attributable to or in respect of the carrying on of the Business by the Applicants.

9. Until such time as a real property lease is disclaimed or resiliated in accordance with the CCAA, the Applicants may pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated by the Applicants from time to time for the period commencing from and including the date of this Order (“**Rent**”), but shall not pay any rent in arrears.
10. Except as specifically permitted in this Order, the Applicants are hereby directed, until further order of this Court:
  - (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of the date of this Order;
  - (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and
  - (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

## **RESTRUCTURING**

11. The Applicants shall, subject to such requirements as are imposed by the CCAA, and such covenants as may be contained in the Definitive Documents (as hereinafter defined in paragraph 35), have the right to:
  - (a) permanently or temporarily cease, downsize or shut down any portion of their business or operations and to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$250,000 in the aggregate, provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to the Applicants (within the meaning of section 36(5) of the

CCAA), shall require authorization by this Court in accordance with section 36 of the CCAA;

- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate on such terms as may be agreed upon between the Applicants and such employee, or failing such agreement, to deal with the consequences thereof in the Plan;
- (c) disclaim or resiliate, in whole or in part, with the prior consent of the Monitor (as defined below) or further Order of the Court, their arrangements or agreements of any nature whatsoever with whomsoever, whether oral or written, as the Applicants deem appropriate, in accordance with section 32 of the CCAA, excepting any aircraft purchase agreement between the Applicants and any airplane manufacturer, as any such agreement may be amended and supplemented from time to time, which shall not be disclaimed, resiliated or amended without the prior consent of the Interim Lender and the Monitor, or upon further order of the Court.; and
- (d) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

- 12. Pursuant to section 5(5) of the Wage Earner Protection Program Act (Canada), SC 2005, c 47, s 1 (“WEPPA”), the Applicants and their collective former employees meet the criteria prescribed by section 3.2 of the Wage Earner Protection Program Regulations, SOR/2008-222 and are individuals to whom the WEPPA applies as of the date of the Initial Order.
- 13. The Applicants shall provide each of the relevant landlords with notice of the Applicants’ intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal. If the landlord disputes the Applicants’ entitlement to remove any such fixture under the provisions of the



lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicants, or by further order of this Court upon application by the Applicants on at least two (2) days' notice to such landlord and any such secured creditors. If the Applicants disclaim or resiliate the lease governing such leased premises in accordance with section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute other than Rent payable for the notice period provided for in section 32(5) of the CCAA, and the disclaimer or resiliation of the lease shall be without prejudice to the Applicants' claim to the fixtures in dispute.

14. If a notice of disclaimer or resiliation is delivered pursuant to section 32 of the CCAA, then:
  - (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicants and the Monitor 24 hours' prior written notice; and
  - (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicants in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicants of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

#### **NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY**

15. Until and including April 15, 2024, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, except with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the

Business or the Property are hereby stayed and suspended pending further order of this Court.

### **NO EXERCISE OF RIGHTS OR REMEDIES**

16. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (including any airport, airport authority, Nav Canada or other air navigation service providers, travel agents, tour operators, general sales agents, ground handling services, ground handling equipment, aircraft and equipment maintenance suppliers and personnel (including Delta TechOps and Delta Air Lines, Inc.), fuel suppliers, catering, and all persons involved in the collection and distribution of monies in connection with passenger and air cargo operations) (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided that nothing in this Order shall:
  - (a) empower the Applicants to carry on any business that the Applicants are not lawfully entitled to carry on;
  - (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA;
  - (c) prevent the filing of any registration to preserve or perfect a security interest;
  - (d) prevent the registration of a claim for lien; or
  - (e) exempt the Applicants from compliance with statutory or regulatory provisions relating to health, safety or the environment.
17. Nothing in this Order shall prevent any party from taking an action against the Applicants where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such

party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

### **NO INTERFERENCE WITH RIGHTS**

18. During the Stay Period, no Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

### **CONTINUATION OF SERVICES**

19. During the Stay Period, all Persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
  - (b) oral or written agreements or arrangements with either of the Applicants, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services (including aircraft and equipment maintenance services), utility or other services to the Business or the Applicants

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Applicants or exercising any other remedy provided under such agreements or arrangements. The Applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with the payment practices of the Applicants, or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

## **NON-DEROGATION OF RIGHTS**

20. Nothing in this Order has the effect of prohibiting a Person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person, other than the Interim Lender where applicable, be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants.

## **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

21. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA and paragraph 17 of this Order, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date of the Initial Order and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

## **DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

22. The Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as directors and or officers of the Applicants after the commencement of the within proceedings except to the extent that, with respect to any officer or director, the obligation was incurred as a result of the director's or officer's gross negligence or wilful misconduct. Without limiting the generality of the foregoing, for purposes of this Order "officer" shall include the Applicants' contractor providing the services of a Chief Financial Officer.
23. The directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$500,000, as security for the indemnity provided in paragraph 22 of this Order. The Directors' Charge shall have the priority set out in paragraphs 43 and 45

herein.

24. Notwithstanding any language in any applicable insurance policy to the contrary:
- (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and
  - (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 22 of this Order.

#### **APPOINTMENT OF MONITOR**

25. FTI is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property, Business, and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein. The Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.
26. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:
- (a) monitor the Applicants' receipts and disbursements, Business and dealings with the Property;
  - (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the Applicants;

- (c) assist the Applicants, to the extent required by the Applicants, in its dissemination to the Interim Lender and its counsel on a periodic basis as required by the Definitive Documents of financial and other information as agreed to between the Applicants and the Interim Lender which may be used in these proceedings, including reporting on a basis as reasonably required by the Interim Lender;
  - (d) advise the Applicants in their preparation of the Applicants' cash flow statements and reporting required by the Interim Lender, which information shall be reviewed with the Monitor and delivered to the Interim Lender and its counsel on a periodic basis, but not less than weekly, or as otherwise agreed to by the Interim Lender;
  - (e) advise the Applicants in their development of the Plan and any amendments to the Plan;
  - (f) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
  - (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form and other financial documents of the Applicants to the extent that is necessary to adequately assess the Property, Business, and financial affairs of the Applicants or to perform their duties arising under this Order;
  - (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
  - (i) hold funds in trust or in escrow, to the extent required, to facilitate settlements between the Applicants and any other Person; and
  - (j) perform such other duties as are required by this Order or by this Court from time to time.
27. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by

fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation or regulation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order be deemed to be in possession of any of the Property within the meaning of any federal or provincial environmental legislation.

28. The Monitor shall provide any creditor of the Applicants with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.
29. In addition to the rights and protections afforded to the Monitor under the CCAA or as an Officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
30. The Monitor, counsel to the Monitor, and counsel to the Applicants shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements related to these CCAA proceedings), in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized

and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a semi-monthly basis and, in addition, the Applicants are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicants, retainers in the respective amounts of \$100,000, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

31. The Monitor and its legal counsel shall pass their accounts from time to time.
32. The Monitor, counsel to the Monitor, if any, and the Applicants' counsel, as security for the professional fees and disbursements incurred both before and after the granting of the Initial Order, shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$500,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of the Initial Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 43 and 45 hereof.

### **INTERIM FINANCING**

33. The Applicants are hereby authorized and empowered to obtain and borrow under a credit facility from the Interim Lender in order to finance the Applicants' working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed CAD\$5,013,000 (denominated in USD) unless permitted by further order of this Court.
34. Such credit facility shall be on the terms and subject to the conditions set forth in the interim financing term sheet between the Applicants and the Interim Lender made as of February 21, 2024 (the "**Commitment Letter**").
35. The Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs, and security documents, guarantees and other definitive documents (together with the Commitment Letter, the "**Definitive Documents**"), as are contemplated by the Commitment Letter or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and the Applicants are hereby authorized and



directed to pay and perform all of their indebtedness, interest, fees, liabilities, and obligations to the Interim Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

36. The Interim Lender shall be entitled to the benefits of and is hereby granted a charge (the “**Interim Lender’s Charge**”) on the Property to secure all obligations under the Definitive Documents incurred on or after the date of the Initial Order which charge shall not exceed the aggregate amount advanced on or after the date of the Initial Order under the Definitive Documents. The Interim Lender’s Charge shall not secure any obligation existing before the date the Initial Order was made. The Interim Lender’s Charge shall have the priority set out in paragraphs 43 and 45 hereof.
37. Notwithstanding any other provision of this Order:
  - (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender’s Charge or any of the Definitive Documents;
  - (b) upon the occurrence of an event of default under the Definitive Documents or the Interim Lender’s Charge, the Interim Lender, upon three (3) days’ notice (or such other period as set out in the Definitive Documents) to the Applicants and the Monitor, may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the Commitment Letter, Definitive Documents, and the Interim Lender’s Charge, including without limitation, to cease making advances to the Applicants and set off and/or consolidate any amounts owing by the Interim Lender to the Applicants against the obligations of the Applicants to the Interim Lender under the Commitment Letter, the Definitive Documents or the Interim Lender’s Charge, to make demand, accelerate payment, and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and

(c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

38. The Interim Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the Bankruptcy and Insolvency Act of Canada (the “**BIA**”), with respect to any advances made under the Definitive Documents.

### **KEY EMPLOYEE RETENTION PLAN AND CHARGE**

39. The terms and conditions of the key employee retention plan (“**KERP**”) as attached as Exhibit “A” to the Confidential Woodward Affidavit are hereby approved. The Applicants are hereby authorized to perform their obligations under the KERP, including making all payments to the key employees identified in the KERP in accordance with the terms and conditions thereof.

40. The employees covered by the KERP shall be entitled to the benefit of and are granted a charge on the Property (the “**KERP Charge**”) which shall not exceed the maximum amount of CAD\$1,179,094 as security for the obligations of the Applicants under the KERP.

41. The KERP Charge shall have the respective priority as set out in paragraphs 43 and 45 of this Order.

42. The filing, registration or perfection of the KERP Charge shall not be required, and the KERP Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered recorded or perfected subsequent to the KERP Charge coming into existence, notwithstanding any such failure to file, register record or perfect.

### **VALIDITY AND PRIORITY OF CHARGES**

43. The priorities of the Administration Charge, the Interim Lender’s Charge, the KERP Charge, and the Director’s Charge as between them, shall be as follows:

First – Administration Charge (to the maximum amount of \$500,000);

Second – Interim Lender’s Charge;

Third – Directors’ Charge (to the maximum amount of \$500,000);

Fourth – KERP Charge.

44. The filing, registration or perfection of the Administration Charge, the Interim Lender’s Charge, the Directors’ Charge, and the KERP Charge (collectively, the “**Charges**”) shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
45. Each of the Administration Charge, the Interim Lender's Charge, the Directors' Charge, and the KERP Charge (each as constituted and defined herein) shall constitute a charge on the Property and subject always to section 34(11) of the CCAA the Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person. Without limiting the generality of the foregoing, the Charges shall not (i) attach to any aircraft or engine that is leased to any of the Applicants or any lease agreements and other records pertaining to the leased aircraft and engines, or (ii) rank in priority to the interests of any aircraft lessor or financier as described in paragraphs 70 and 71 of the First Woodward Affidavit.
46. Except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or pari passu with, the Administration Charge, the Interim Lender’s Charge, the Directors’ Charge or the KERP Charge unless the Applicants also obtain the prior written consent of the Monitor, the Interim Lender, and the beneficiaries of the Administration Charge, KERP Charge, and the Directors’ Charge, or further order of this Court.
47. The Administration Charge, the Commitment Letter, the Definitive Documents, and the Interim Lender’s Charge shall not be rendered invalid or unenforceable and the rights and

remedies of the chargees entitled to the benefit of the Charges (collectively, the “Chargees”) and/or the Interim Lender thereunder shall not otherwise be limited or impaired in any way by:

- (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
- (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;
- (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
- (d) the provisions of any federal or provincial statutes; or
- (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) that binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:
  - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof, including the Commitment Letter or the Definitive Documents, shall create or be deemed to constitute a new breach by the Applicants of any Agreement to which they are a party;
  - (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges, the Applicants entering into the Commitment Letter, or the execution, delivery or performance of the Definitive Documents; and
  - (iii) the payments made by the Applicants pursuant to this Order, including the Commitment Letter or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances,

transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

## **ALLOCATION**

48. Any interested Person may apply to this Court on notice to any other party likely to be affected for an order to allocate the Charges amongst the various assets comprising the Property.

## **SERVICE AND NOTICE**

49. The Monitor shall (i) without delay, publish in the Calgary Herald and the Globe and Mail a notice containing the information prescribed under the CCAA; (ii) within five (5) days after the date of this Order (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than \$1,000 and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with section 23(1)(a) of the CCAA and the regulations made thereunder.
50. The Monitor shall establish a case website in respect of the within proceedings at <http://cfcanada.fticonsulting.com/lynxair>.

## **GENERAL**

51. The Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
52. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Monitor will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Monitor's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.

53. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager or a trustee in bankruptcy of the Applicant, the Business or the Property.
54. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.
55. Each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Monitor is authorized and empowered to act as a representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
56. Any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
57. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

  
Justice of the Court of King's Bench of Alberta

This is **Exhibit "C"** to the Affidavit of Michael Woodward  
sworn before me this 13<sup>th</sup> day of May 2024.

  
\_\_\_\_\_

Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Treleaven**  
Barrister & Solicitor

COURT FILE NUMBER 2401-02664

Clerk's Stamp

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS  
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended

KK

AND IN THE MATTER OF THE COMPROMISE OR  
ARRANGEMENT OF LYNX AIR HOLDINGS CORPORATION  
and 1263343 ALBERTA INC. dba LYNX AIR

DOCUMENT **ORDER**  
**(Sale and Investment Solicitation Process)**

ADDRESS FOR **OSLER, HOSKIN & HARCOURT LLP**  
SERVICE AND Barristers & Solicitors  
CONTACT Brookfield Place, Suite 2700  
INFORMATION OF 225 6 Ave SW  
PARTY FILING THIS Calgary, AB T2P 1N2  
DOCUMENT

Solicitors: Randal Van de Mosselaer / Julie Treleaven  
Telephone: (403) 260-7000 / 7048  
Email: [RVandemosselaer@osler.com](mailto:RVandemosselaer@osler.com) / [JTreleaven@osler.com](mailto:JTreleaven@osler.com)  
File Number: 1246361

**DATE ON WHICH ORDER WAS PRONOUNCED:** March 1, 2024

**JUSTICE WHO MADE THIS ORDER:** The Honourable Justice Whitling

**LOCATION WHERE ORDER WAS PRONOUNCED:** Edmonton, Alberta

**UPON THE APPLICATION** of Lynx Air Holdings Corporation and 1263343 Alberta Inc. dba Lynx Air (the "**Applicants**"); **AND UPON** having read the Application, the Affidavit of Michael Woodward sworn February 22, 2024, the Confidential Affidavit of Michael Woodward sworn February 22, 2024, the Affidavit of Micheal Woodward sworn February 28, 2024, and the Confidential Affidavit of Michael Woodward sworn February 28, 2024; **AND UPON** reading the First Report of FTI Consulting Canada Inc. in its capacity as monitor of the Applicants (the "**Monitor**"), filed February 28, 2024; **AND UPON** hearing the submissions of counsel for the Applicants, counsel for Indigo Northern Ventures LP, counsel for the Monitor, and counsel for any other party present at the application; **AND UPON** reviewing the initial order granted in the



within proceedings pursuant to the *Companies' Creditors Arrangement Act (Canada)* (the "CCAA") by the Honourable Justice Gill on February 22, 2024; **AND UPON** noting that capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the SISP;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

1. Service of notice of this Application and supporting materials is hereby declared to be good and sufficient, this Application is properly returnable today, and no other person is required to have been served with notice of this Application. Capitalized terms used in this Order and not otherwise defined shall be given the same meaning as they have been given in the SISP (as that term is defined below).
2. The "Procedures for the Sale and Investment Solicitation Process" which are attached hereto as Appendix "A" (the "**SISP**") are (subject to any amendments thereto that may be made in accordance therewith and with this Order) hereby approved, and the Applicants and the Monitor are hereby authorized and directed to implement the SISP in accordance with the terms thereof and do all things as may be reasonably necessary to conduct and give full effect to the SISP and implement and carry out the terms thereof.
3. The Boeing Agreement shall not be made available in the VDR or provided to any party without the express written consent of Boeing until such time as the terms of the SISP are amended to the satisfaction of Boeing in its sole discretion or as may be ordered by this Court.
4. The Monitor (and their respective affiliates, partners, directors, employees, agents, consultants, advisors, experts, accountants, counsel and controlling persons) shall have no liability whatsoever for any and all losses, claims, damages or liabilities, of any nature or kind to any person or party for any act or omission related to the SISP, except to the extent such act or omission is the result of gross negligence or wilful misconduct of the Monitor.

5. The Applicants shall serve by courier, fax transmission, email transmission or ordinary post, a copy of this Order on all parties present at this Application and on all parties who are presently on the service list established in these proceedings and such service shall be deemed good and sufficient for all purposes.

  
Justice of the Alberta Court of King's Bench

## Appendix “A”

### PROCEDURES FOR THE SALE AND INVESTMENT SOLICITATION PROCESS

#### Preamble

- A. On February 22, 2024, Lynx Air Holdings Corporation and 1263343 Alberta Inc. (collectively, “Lynx Air”) commenced proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) before the Court of King's Bench of Alberta (the “**Court**”) pursuant to an initial order granted by the Court on the same day (collectively, as further amended or restated from time to time, the “**Initial Order**”). On March 1, 2024, the Court also issued a Sale Process Order (the “**Sale Process Order**”) that, among other things, authorized Lynx Air to implement a sale and investment solicitation process (“**SISP**”) in accordance with the terms hereof.
- B. This SISP sets out the manner in which (i) binding bids for the purchase of the assets of Lynx Air, including *inter alia* the Aircraft Leases and the Boeing Agreement (collectively, the “**Assets**”) will be solicited from interested parties, (ii) any such bids received will be addressed, (iii) any Successful Bid (as defined below) will be selected, and (iv) Court approval of any Successful Bid will be sought.
- C. The SISP shall be conducted by Lynx Air under the oversight of FTI Consulting Canada Inc., in its capacity as court-appointed monitor (the “**Monitor**”).
- D. Parties who wish to have their bids considered shall participate in the SISP as conducted by Lynx Air and the Monitor in accordance with the present bidding procedures set out herein (the “**Bidding Procedures**”) governing the solicitation of offers or proposals for the acquisition of the Assets.

#### Defined Terms

1. Capitalized terms used in this SISP have the meanings given thereto in Appendix A.

#### Bidding Procedures

##### *Opportunity*

2. The SISP is intended to solicit interest in, and opportunities for one or more sales of the Assets (the “**Opportunity**”).
3. The Bidding Procedures describe the manner in which prospective bidders may gain access to due diligence materials concerning Lynx Air and the Assets, the manner in which bidders may participate in the SISP, the requirement of and the receipt and negotiation of bids received, the ultimate selection of a Successful Bidder (as defined below) and the requisite approvals to be sought from the Court in connection therewith. Lynx Air and the Monitor shall conduct the SISP in the manner set forth herein.

Lynx Air, in consultation with the Monitor and the Interim Lender, may at any time and from time to time, modify, amend, vary or supplement the SISP or the Bidding Procedures, without the need for obtaining an order of the Court, provided that the Monitor determines that such modification, amendment, variation or supplement are useful in order to give

effect to the substance of the SISP, the Bidding Procedures, the Sale Process Order and the Initial Order.

The Monitor shall post on the Monitor's website, as soon as practicable, any such modification, amendment, variation or supplement to the Bidding Procedures and Lynx Air or the Monitor shall inform the bidders impacted by such modifications.

In the event of a dispute as to the interpretation or application of the SISP or Bidding Procedures, the Court will have exclusive jurisdiction to hear and resolve such dispute.

As more particularly set out herein, a summary of the key dates pursuant to the SISP are as follows:

<u>Event</u>	<u>Date</u>
1. <u>Approval of the SISP and Bidding Procedures by the Court</u>	March 1, 2024
2. <u>Monitor and Lynx Air to create list of Pre-Qualified Known Potential Bidders</u>	March 1, 2024
3. <u>Monitor to prepare the VDR</u>	By no later than March 4, 2024
4. <u>Monitor to distribute Teaser and NDAs to Pre-Qualified Known Potential Bidders</u>	By no later than March 8, 2024
5. <u>Binding Bid Deadline</u>	By no later than April 1, 2024, at 5:00 p.m. (Calgary Time)
6. <u>Auction (if required)</u>	By no later than April 5, 2024, at 5:00 p.m. (Calgary Time)
7. <u>Definitive documentation</u>	By no later than April 7, 2024
8. <u>Approval Application – Successful Bid(s)</u>	By no later than April 10, 2024
9. <u>Outside Date – Closing</u> Outside Date by which the Successful Bid must close	April 12, 2024

***Solicitation of Interest: Notice of the SISP***

4. As soon as reasonably practicable after the granting of the Sale Process Order, Lynx Air, with input from the Monitor, will prepare a list of potential bidders (the “**Pre-Qualified Known Potential Bidders**”) who may have interest in the Assets.
5. The Monitor shall identify potential buyers and investors.
6. By March 8, 2024, the Monitor will send a package to the Pre-Qualified Known Potential Bidders which includes (i) a process summary (“**Teaser**”); and (ii) a non-disclosure agreement (“**NDA**”).

### ***Virtual Data Room***

7. As soon as practicable, and only after reaching agreement with the Boeing and the Counterparties to the Aircraft Leases on appropriate and acceptable confidentiality protections and terms of access, a confidential virtual data room (the “**VDR**”) in relation to the Assets will be made available by the Monitor to each Pre-Qualified Known Potential Bidder who has executed an NDA with Lynx Air in accordance with paragraph 8 herein (and Boeing or any of the Counterparties to the Aircraft Leases as may be necessary). Lynx Air, in consultation with the Monitor, may establish or cause the Monitor to establish separate VDRs (including “clean rooms”), if Lynx Air reasonably determines that doing so would further compliance with applicable antitrust and competition laws, or would prevent the distribution of commercially sensitive competitive information. Lynx Air, in consultation with the Monitor, may also limit the access to any confidential information in the VDR where Lynx Air reasonably determines that such access could negatively impact the SISP, the ability to maintain the confidentiality of the information, the Assets or their value.

### ***Non-Disclosure Agreement***

8. In order to participate in the SISP, and prior to the distribution of any confidential information to a Pre-Qualified Known Potential Bidder (including access to the VDR), such Pre-Qualified Known Potential Bidder must deliver to the Monitor an executed non-disclosure agreement in form and substance satisfactory to Lynx Air, and to Boeing, and to the Counterparties to the Aircraft Leases (as may be necessary) in consultation with the Monitor (each, an “**NDA**”), which shall enure to the benefit of any Successful Bidder (as defined below) that closes a transaction contemplated by its Successful Bid. Pursuant to the terms of the NDA to be signed by a Pre-Qualified Known Potential Bidder, each Pre-Qualified Known Potential Bidder will be prohibited from communicating with any other Pre-Qualified Known Potential Bidder regarding the Assets during the term of the SISP, without the consent of the Monitor, in consultation with Lynx Air. Prior to Lynx Air executing an NDA with any Pre-Qualified Known Potential Bidder, any Pre-Qualified Known Potential Bidder may be required to provide evidence, reasonably satisfactory to Lynx Air and to Boeing, in consultation with the Monitor, of its financial wherewithal to complete a transaction in respect of the Assets (either with existing capital or with capital reasonably anticipated to be raised prior to closing) in accordance with the key dates described above and/or to disclose details of their ownership and/or investors.

### ***Binding Offers***

9. Any Pre-Qualified Known Potential Bidder that wishes to make a formal offer with respect to the Assets shall submit a binding offer (a “**Binding Offer**”) not later than 5:00 p.m. (prevailing Central Standard Time) on April 1, 2024, or such other date or time as may be agreed by Lynx Air, with the consent of the Monitor (as may be extended the “**Binding Bid Deadline**”).
10. A Binding Offer will only be considered if it:
  - (a) has been received by the Binding Bid Deadline;

- (b) identifies the Assets of interest to the Pre-Qualified Known Potential Bidder;
- (c) if the Assets of interest include the Aircraft Leases, includes consent of the applicable lessors to the assignment to such Aircraft Lease to the Pre-Qualified Known Potential Bidder;
- (d) is not subject to any due diligence or financing condition;
- (e) is unconditional, other than upon the receipt of the Approval Order(s) (as defined below) and satisfaction of any other conditions expressly set forth in the Binding Offer;
- (f) does not provide for any break fee, expense reimbursement or similar type of payment;
- (g) contemplates and reasonably demonstrates a capacity to consummate a closing of the transaction set out therein by no later than April 12, 2024 (the “**Outside Date**”);
- (h) contemplates that the Pre-Qualified Known Potential Bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its bid, is agreeing to refrain from and waive any assertion or request for reimbursement on any basis.

***Selection of Successful Bid(s)***

11. Lynx Air, in consultation with the Monitor and the Interim Lender, may, following the receipt of any Binding Offer, seek clarification with respect to any of the terms or conditions of such Binding Offer and/or request and negotiate one or more amendments to such Binding Offer.
12. Lynx Air and the Monitor will: (a) review and evaluate each Binding Offer with respect of, among other things, (i) the amount of consideration being offered and, if applicable, the proposed form, composition and allocation of same, (ii) the likelihood of the Pre-Qualified Known Potential Bidder ability to close a transaction and the timing thereof (including factors such as the transaction structure and execution risk, including conditions to, timing of, and certainty of closing; termination provisions; financial wherewithal to meet all commitments; and required governmental or other approvals), (iii) the likelihood of the Court’s approval of the Binding Offer, (iv) the net benefit to Lynx Air and its stakeholders, and (v) any other factors Lynx Air may deem relevant; and (b) identify the highest or otherwise best non-overlapping bids (the “**Successful Bid(s)**”). Any Successful Bid shall be subject to approval by the Court.
13. In the alternative, Lynx Air, in consultation with the Monitor, may: (a) continue negotiations with a selected number of Pre-Qualified Known Potential Bidders (collectively, the “**Selected Bidders**”) with a view to finalizing an agreement with one or more of the Selected Bidders and declaring such bids to constitute Successful Bids, or (b) conduct one or more auctions (the “**Auction(s)**”) to determine the highest or otherwise best non-overlapping Binding Offers, pursuant to Auction rules to be determined by Lynx Air, in consultation with the Monitor and the Interim Lender.

14. In the event no Pre-Qualified Known Potential Bidder submits Binding Offer, Lynx Air may, and in consultation with the Monitor and the Interim Lender, terminate the SISP.
15. The definitive documentation in respect of the Successful Bid must be finalized and executed no later than April 7, 2024, which definitive documentation shall be conditional only upon the receipt of the Approval Order(s) (as defined below) and the express conditions set out therein. In any event, the Successful Bid must be closed by no later than the Outside Date.

***Approval of Successful Bid(s)***

16. Lynx Air shall apply to the Court (the “**Approval Application**”) for one or more orders: approving the Successful Bid(s) and authorizing the taking of such steps and actions and completing such transactions as are set out therein or required thereby. The Approval Application will be held on a date to be scheduled by Lynx Air and confirmed by the Court upon application by Lynx Air, who shall use its best efforts to schedule the Approval Application by no later than April 10, 2024, subject to Court availability. With the consent of the Monitor and the Successful Bidder(s), the Approval Application may be adjourned or rescheduled by Lynx Air without further notice, by an announcement of the adjourned date at the Approval Application or in a notice to the service list of the CCAA Proceedings prior to the Approval Application. Lynx Air shall consult with the Monitor and the Successful Bidder regarding the application material to be filed by Lynx Air for the Approval Application.

**Further Orders**

17. At any time during the SISP, Lynx Air, or the Monitor may apply to the Court for advice and directions with respect to any aspect of this SISP and the Bidding Procedures including, but not limited to, the continuation of the SISP or with respect to the discharge of their powers and duties hereunder.

## **APPENDIX A DEFINED TERMS**

**“Aircraft Leases”** means nine 12-year aircraft lease agreements and three engine lease agreements for three CFM LEAP-1B25 spare engines as more particularly described in paragraphs 70 and 71 of the Affidavit of Michael Woodward sworn on February 22, 2024 in the CCAA Proceedings..

**“Approval Application”** shall have the meaning set forth in paragraph 16.

**“Approval Order(s)”** shall have the meaning set forth in paragraph 16.

**“Auction(s)”** shall have the meaning set forth in paragraph 13.

**“Bidding Procedures”** shall have the meaning set forth in the preamble.

**“Binding Offer”** shall have the meaning set forth in paragraph 9.

**“Boeing”** means the Boeing Company.

**“Boeing Agreement”** means an agreement between Lynx Air and Boeing for the purchase 737 MAX aircraft.

**“CCAA Proceedings”** shall have the meaning set forth in the preamble.

**“CCAA”** shall have the meaning set forth in the preamble.

**“Court”** shall have the meaning set forth in the preamble.

**“Initial Order”** shall have the meaning set forth in the preamble.

**“Interim Lender”** means Indigo Northern Ventures LP.

**“Monitor”** shall have the meaning set forth in the preamble.

**“NDA”** shall have the meaning set forth in paragraph 6.

**“Outside Date”** shall have the meaning set forth in paragraph 10(g).

**“Sale Process Order”** shall have the meaning set forth in the preamble.

**“Selected Bidders”** shall have the meaning set forth in paragraph 13.

**“SISP”** shall have the meaning set forth in the preamble.

**“Successful Bid”** shall have the meaning set forth in paragraph 12.

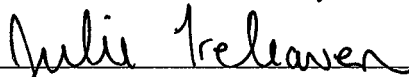
**“Successful Bidder”** shall have the meaning set forth in paragraph 12.

**“Teaser”** shall have the meaning set forth in paragraph 6.



**“VDR”** shall have the meaning set forth in paragraph 7.

This is **Exhibit "D"** to the Affidavit of Michael Woodward  
sworn before me this 13<sup>th</sup> day of May 2024.

  
\_\_\_\_\_

Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Treleaven**  
Barrister & Solicitor

COURT FILE NUMBER 2401-02664

Clerk's Stamp

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS  
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OR  
ARRANGEMENT OF LYNX AIR HOLDINGS CORPORATION  
and 1263343 ALBERTA INC. dba LYNX AIR

DOCUMENT **ORDER**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**OSLER, HOSKIN & HARCOURT LLP**  
Barristers & Solicitors  
Brookfield Place, Suite 2700  
225 6 Ave SW  
Calgary, AB T2P 1N2

Solicitors: Randal Van de Mosselaer / Julie Treleaven  
Telephone: (403) 260-7000 / 7048  
Email: [RVandemosselaer@osler.com](mailto:RVandemosselaer@osler.com) / [JTreleaven@osler.com](mailto:JTreleaven@osler.com)  
File Number: 1246361

**DATE ON WHICH ORDER WAS PRONOUNCED:** April 2, 2024

**LOCATION WHERE ORDER WAS PRONOUNCED:** Calgary, Alberta

**JUSTICE WHO MADE THIS ORDER:** The Honourable Justice Sidnell

**UPON THE APPLICATION** of Lynx Air Holdings Corporation and 1263343 Alberta Inc. dba Lynx Air (the "**Applicants**"); **AND UPON** having read the Application, the agreement dated March 21, 2024 between The Boeing Company ("**Boeing**") and the Applicants (the "**Termination Agreement**"), the Confidential Affidavit of Michael Woodward sworn February 22, 2024, the Affidavit of Michael Woodward sworn March 25, 2024, and the Confidential Affidavit of Michael Woodward sworn March 25, 2024; **AND UPON** reading the Second Report of FTI Consulting Canada Inc. in its capacity as monitor of the Applicants (the "**Monitor**"), filed March 27, 2024 and the Confidential Supplement to the Second Report of the Monitor dated March 27, 2024; **AND UPON** hearing the submissions of counsel for the Applicants, counsel for Boeing,

counsel for the Monitor, and counsel for any other party present at the application; **AND UPON** reviewing the initial order granted in the within proceedings pursuant to the *Companies' Creditors Arrangement Act (Canada)*, R.S.C. 1985, c. C-36, as amended by the Honourable Justice Gill on February 22, 2024 and the amended and restated initial order granted by the Honourable Justice Whitling on March 1, 2024 (the “**ARIO**”);

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

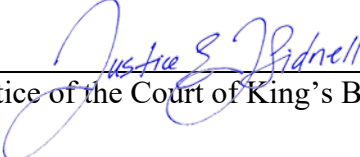
1. The time for service of this application is hereby abridged and deemed good and sufficient and this application is properly returnable today, and no other person other than those persons served is entitled to service of this application.

**APPROVAL OF THE TERMINATION AGREEMENT**

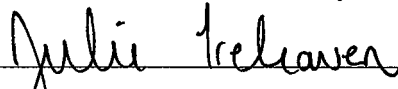
2. The Termination Agreement is hereby approved, and the execution of the Termination Agreement by the Applicants is hereby authorized and approved, with such minor amendments as the Applicants, with the consent of the Monitor, may deem necessary.
3. The Applicants and Boeing are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable, with the consent of the Monitor, for the completion of the transaction contemplated by the Termination Agreement.

**MISCELLANEOUS**

4. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

  
Justice of the Court of King's Bench of Alberta

This is **Exhibit "E"** to the Affidavit of Michael Woodward  
sworn before me this 13<sup>th</sup> day of May 2024.

  
\_\_\_\_\_

Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Treleaven**  
Barister & Solicitor

**ASSET PURCHASE AGREEMENT**

**THIS ASSET PURCHASE AGREEMENT** is made as of the 13th May, 2024,

**BETWEEN:**

**1263343 ALBERTA INC. (d/b/a LYNX AIR)**, a corporation existing under the laws of the Province of Alberta (the “**Vendor**”)

- and -

**BOC AVIATION (CAYMAN) LIMITED**, a corporation existing under the laws of the Cayman Islands (the “**Purchaser**”)

**WHEREAS:**

- A. On February 22, 2024, the Vendor was granted protection under the *Companies’ Creditors Arrangement Act* (Canada) pursuant to an initial order granted by the Court of King’s Bench of Alberta (the “**Court**”) in proceedings bearing Court File No. 2401-02664 (as amended and restated on March 1, 2024, the “**Initial Order**”), pursuant to which, FTI Consulting Canada Inc. was appointed as the monitor of the Vendor (in such capacity, the “**Monitor**”) (collectively, the “**CCAA Proceedings**”).
- B. In connection with the CCAA Proceedings, pursuant to an order of the Court dated March 1, 2024, the Vendor and the Monitor were given approval to implement a Sale and Investment Solicitation Process to sell some or all of the assets of Vendor.
- C. The Vendor, the Purchaser and BOC Aviation Limited (the “**Purchaser Nominee**”) entered into a commitment agreement dated February 23, 2022 in respect of eleven Boeing 737-8 aircraft (the “**Commitment Letter**”).
- D. Pursuant to the Commitment Letter, the Vendor acquired the Purchased Assets, which it now desires to sell to the Purchaser (or the Purchaser Nominee) on the terms and conditions of this Agreement.

**NOW THEREFORE**, in consideration of the respective covenants, agreements, representations, warranties and indemnities of the Parties set out in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party, the Parties agree as follows:

**ARTICLE 1  
INTERPRETATION**

**1.1 Defined Terms**

Whenever used in this Agreement, unless the context otherwise requires, the following words and terms shall have the indicated meanings and grammatical variations of such words and terms shall have corresponding meanings:

- (a) “**Affiliate**” means of any person means, at the time such determination is being made, any other person controlling, controlled by or under common control with

such first person, and “control” means the possession, directly or indirectly, of the power to direct, or cause the direction of, the management policies of a person, whether through the ownership of voting securities, by contract or credit arrangement, as trustee or executor, or otherwise;

- (b) “**Agreement**” means this asset purchase agreement, including its recitals and schedules, as amended, supplemented or restated in writing from time to time;
- (c) “**Approval Order**” means an order to be granted by the Court, in form and substance satisfactory to the Purchaser, acting reasonably, which (i) authorizes, approves and confirms this Agreement and the sale of the Purchased Assets by Vendor to Purchaser (or the Purchaser Nominee) in accordance with the terms and conditions contained herein, and (ii) vests in the Purchaser (or the Purchaser Nominee) beneficial title and all right, title and interest of the Vendor free and clear of all Encumbrances;
- (d) “**Bill of Sale**” means the bill of sale entered into with respect to the Purchased Assets, substantially in the form set out in Schedule “D”;
- (e) “**Books and Records**” means all of the Vendor’s books and records related to or used or held for use in connection with the Purchased Assets, including: (a) quality control records and procedures; (b) written engineering standards and specifications; and (c) all other documents, files, correspondence and other information relating to the Purchased Assets whether written, printed or electronically stored;
- (f) “**Business Day**” means any day, other than a Saturday, Sunday or a statutory holiday, on which the principal commercial banks in Calgary, Alberta, Singapore and New York, New York are open for commercial banking business during normal banking hours;
- (g) “**CCAA Proceedings**” has the meaning ascribed thereto in the recitals to this Agreement;
- (h) “**Closing**” has meaning ascribed thereto in Section 7.1;
- (i) “**Closing Date**” means a date no later than four (4) Business Days after the conditions set forth in Article 6 have been satisfied or waived by the applicable Party, or such other date as agreed to by the Parties in writing;
- (j) “**Closing Time**” means 10:00 a.m. (Calgary time) on the Closing Date or such other time as the Parties may agree upon in writing;
- (k) “**Collins Novation Agreement**” has the meaning ascribed thereto in Section 6.2(e);
- (l) “**Contracts**” means contracts, licences, leases, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements or engagements to which the Vendor is a party or by which the Vendor is bound or under which the Vendor has, or will have, any liability or contingent liability (in each case, whether written or oral, express or implied), and includes

any quotations, orders, proposals or tenders which remain open for acceptance and warranties and guarantees;

- (m) “**Court**” has the meaning ascribed thereto in the recitals to this Agreement;
- (n) “**Encumbrance**” means any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise;
- (o) “**ETA**” means the *Excise Tax Act*, R.S.C. 1985 c E-15;
- (p) “**Governmental Authority**” means any:
  - (i) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal or arbitral body, domestic or foreign;
  - (ii) subdivision, agent or agency, commission, board, bureau or authority of any of the foregoing; or
  - (iii) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;
- (q) “**Governmental Charges**” means all taxes, including Sales Tax, customs duties, rates, levies, assessments, reassessments and other charges, together with all penalties, interest and fines with respect thereto, payable to any Governmental Authority;
- (r) “**GST**” means all goods and services or harmonized sales tax imposed under the provisions of Part IX of ETA, or any successor or parallel provincial or federal legislation that imposes a tax on the recipient of goods or services;
- (s) “**Honeywell Novation Agreement**” has the meaning ascribed thereto in Section 6.2(d);
- (t) “**Initial Order**” has the meaning ascribed thereto in the recitals to this Agreement;
- (u) “**Interim Financing Consent**” has the meaning ascribed thereto in Section 6.1(b);
- (v) “**Interim Financing Term Sheet**” means the interim financing term sheet dated February 21, 2024 between the Vendor and the Interim Lender, as such term sheet may be amended, supplemented, or otherwise modified from time to time;
- (w) “**Interim Lender**” means, pursuant to the Initial Order, Indigo Northern Ventures LP;



- (x) “**Laws**” means any and all applicable domestic or foreign:
  - (i) laws, constitutions, treaties, statutes, codes, ordinances, decrees, rules, regulations, and by-laws;
  - (ii) judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, Orders, injunctions, decisions, rulings, awards; and
  - (iii) to the extent they have the force of law, all policies, writs, Orders, guidelines, and directives of any Governmental Authority and general principles of common and civil law and equity, binding on or affecting the person referred to in the context in which the word is used;
- (y) “**Monitor**” has the meaning ascribed thereto in the recitals to this Agreement;
- (z) “**Monitor’s Certificate**” means a certificate of the Monitor which will be delivered to the Purchaser pursuant to the Approval Order;
- (aa) “**Order**” means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority;
- (bb) “**Parties**” means the Vendor and the Purchaser, and “**Party**” means any of them;
- (cc) “**person**” includes any individual, corporation, limited liability company, unlimited liability company, body corporate, partnership, limited partnership, limited liability partnership, firm, joint venture, syndicate, association, capital venture fund, private equity fund, trust, trustee, executor, administrator, legal personal representative, estate, government, Governmental Authority and any other form of entity or organization, whether or not having legal status;
- (dd) “**Purchase Price**” has the meaning ascribed thereto in Section 3.1;
- (ee) “**Purchased Assets**” means:
  - (i) Inventory: in respect of certain aircraft to be purchased pursuant the Commitment Letter, the equipment installed or to be installed on such aircraft at delivery as more particularly described in Schedule “A” together with all assignable warranties relating to such equipment; and
  - (ii) Books and Records: all Books and Records.
- (ff) “**Representatives**” means, with respect to any person, any director, officer or employee of such person and any agent, consultant, legal, accounting, financial or other advisor or other representative authorized by such person to represent or act on behalf of such person;
- (gg) “**Sales Taxes**” has the meaning ascribed thereto in Section 3.4; and
- (hh) “**Tax Act**” means the *Income Tax Act* (Canada), RSC 1985, c 1 (5th Supp).

## 1.2 Currency

Unless otherwise stated, all dollar amounts referenced in this Agreement are expressed in lawful currency of the United States of America.

## 1.3 Sections and Headings

The division of this Agreement into Articles, Sections and Subsections and the insertion of headings are for convenience of reference only and shall not affect the interpretation of this Agreement. Unless otherwise indicated, any reference in this Agreement to an Article, Section, Subsection or Schedule refers to the specified Article, Section or Subsection of, or Schedule to, this Agreement.

## 1.4 Extended Meanings

For the purposes of this Agreement:

- (a) the terms “hereof”, “hereunder”, “hereto” and similar expressions refer to this Agreement and not to any particular Article, Section, Subsection, Schedule or other portion of this Agreement and include any agreement supplemental hereto;
- (b) words importing the singular number only shall include the plural and *vice versa*, words importing gender shall include all genders; and
- (c) the words “includes” and “including” and similar terms of inclusion will not, unless expressly modified by the words “only” or “solely”, be construed as terms of limitation, but rather will mean “includes but is not limited to” and “including but not limited to”, so that references to included matters will be regarded as illustrative without being either characterizing or exhaustive.

## 1.5 Interpretation Not Affected By Party Drafting

The Parties acknowledge that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and the Parties agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party shall not be applicable in the interpretation of this Agreement.

## 1.6 Schedule

The following Schedules are attached to and form part of this Agreement:

<b><u>Schedule</u></b>	<b><u>Description</u></b>
Schedule “A”	Purchased Assets
Schedule “B”	Wire Instructions
Schedule “C”	Purchase Price Allocation
Schedule “D”	Form of Bill of Sale

## ARTICLE 2 PURCHASE AND SALE

### 2.1 Purchase and Sale

Subject to the terms of this Agreement, the Vendor hereby agrees to sell, assign, transfer and convey to the Purchaser (or the Purchaser's Nominee), and the Purchaser hereby agrees to purchase and acquire from the Vendor, effective as of the Closing Date, all of the right, title and interest of the Vendor in and to the Purchased Assets, in each case, free and clear of all Encumbrances. A Bill of Sale for the Purchased Assets will be delivered at Closing in accordance with Section 7.3(a)(iii) and 7.3(b)(i), immediately whereupon title to the Purchased Assets shall pass from the Vendor to the Purchaser or the Purchaser Nominee, as applicable, free and clear of all Encumbrances. The Purchaser may nominate the Purchaser Nominee to take title to the Purchased Assets on the Closing Date, provided that the Purchaser shall remain liable for any and all of its obligations hereunder.

## ARTICLE 3 PURCHASE PRICE

### 3.1 Purchase Price and Purchased Assets

- (a) The purchase price for the Purchased Assets shall be equal to the aggregate amount of [REDACTED] (as adjusted in accordance with this Section 3.1 the "**Purchase Price**"), *provided that*, if a Purchased Asset suffers damage or is involved in an accident or incident (as defined under the Geneva Convention) following the date hereof and prior to the Closing Date, then subject to Section 3.1(b), at Purchaser's election prior to the Closing Date, that Purchased Asset shall be excluded from the Purchased Assets and will not be acquired by the Purchaser, and the purchase price shall be reduced by the amount allocated to such Purchased Asset pursuant to Section 3.5.
- (b) Notwithstanding the foregoing, if a Purchased Asset suffers damage or is involved in an accident or incident (as defined under the Geneva Convention) following the date hereof and prior to the Closing Date and any such damage or any loss in value resulting from any such accident or incident is covered by a supplier warranty that will be assigned to Purchaser or covered by Purchaser's insurance, then in each case that Purchased Asset shall not be excluded from the Purchased Assets in accordance with Section 3.1(a) and no Purchase Price adjustment will be made in respect of that Purchased Asset.

### 3.2 Payment of Purchase Price

Subject to the provisions of this Agreement, on the Closing Date, the Purchase Price shall be paid by the Purchaser to the Vendor by way of wire transfer to the account designated by the Vendor and attached hereto as Schedule "B".

### 3.3 Excluded Liabilities

Neither the Purchaser nor the Purchaser Nominee shall assume, and shall not be liable for, any liabilities of the Vendor of any kind or nature whatsoever, whether present or future, absolute or

contingent, known or unknown, all of which shall be retained by the Vendor, including, for greater certainty, any and all Governmental Charges arising out of or relating to the Vendor's ownership or operation of the Purchased Assets prior to Closing.

### **3.4 Sales Taxes**

The Purchase Price is exclusive of all applicable GST, sales, transfer, conveyance, value added, or similar taxes (collectively, the "Sales Taxes"), and the Purchaser shall be liable for all applicable Sales Taxes in respect of the purchase and sale of the Purchased Assets hereunder. The parties hereby acknowledge that the delivery location of the Purchased Assets is Seattle, Washington, United States of America.

### **3.5 Allocation of Purchase Price**

The Purchase Price shall be allocated among the Purchased Assets in accordance with the provisions of Schedule "C". Each of the Vendor and the Purchaser shall report the purchase and sale of the Purchased Assets in any tax returns in accordance with the allocations provided in accordance with this Section 3.5.

## **ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE VENDOR**

The Vendor represents and warrants to the Purchaser as follows and the Vendor acknowledges that the Purchaser is relying on such representations and warranties in connection with the execution and delivery of this Agreement and its purchase of the Purchased Assets.

### **4.1 Organization and Capacity**

The Vendor is a corporation duly incorporated, validly existing and in good standing (if applicable) under the laws of its jurisdiction of incorporation. The Vendor has the corporate power and capacity to own and lease its assets and property, to carry on its business as now conducted by it and to enter into this Agreement and perform its obligations hereunder.

### **4.2 Due Authorization and Enforceability of Obligations**

- (a) Subject to the Vendor obtaining the Approval Order, the Vendor has all necessary corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement.
- (b) The execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of the Vendor.
- (c) This Agreement constitutes a valid and binding obligation of the Vendor enforceable against it in accordance with its terms subject, in each case, to bankruptcy, insolvency, reorganization or other Laws affecting the enforcement of the rights of creditors.

### **4.3 Absence of Conflicts**

Other than the CCAA Proceedings and the Interim Financing Term Sheet the Vendor is not a party to, bound or affected by or subject to any:

- (a) Contract;
- (b) charter or by-law; or
- (a) Laws or Governmental Authorizations,

that would be violated, breached by, or under which default would occur or an Encumbrance would be created as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any other agreement to be entered into under the terms of this Agreement. There has been no sale, assignment, subletting, licensing or granting of any rights in or other disposition of or in respect of any of the Purchased Assets or any part thereof or any granting of any agreement or right capable of becoming an agreement or option for the purchase, assignment, subletting, licensing or granting of any rights in or other disposition of any of the Purchased Assets or any part thereof other than pursuant to the provisions of, or as disclosed in, this Agreement.

### **4.4 Title to Assets**

The Vendor is the sole legal and beneficial owner and, where its interest is registrable, the sole registered owner, of the Purchased Assets with good and marketable title, free and clear of any and all Encumbrances, and is exclusively entitled to possess and dispose of same.

### **4.5 Approvals**

Other than the Approval Order and the Interim Financing Consent, no approval, Order, consent of or filing with any Governmental Authority or any other person is required on the part of the Vendor in connection with the execution, delivery and performance of this Agreement or any other documents or agreements to be executed pursuant to this Agreement or the performance of the Vendor's obligations hereunder or thereunder.

### **4.6 Residency**

The Vendor is a resident of Canada for the purposes of the Tax Act.

### **4.7 GST Registration**

The Vendor is registered for purposes of the ETA and its GST registration number is 840541767 RT0001.

### **4.8 Damage**

To the knowledge of the Vendor's CEO and CFO (without any personal liability), none of the Purchased Assets have suffered any damage which would result in them not being fit for their intended use or been involved in an accident or incident (as defined under the Geneva Convention).

## **ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

The Purchaser represents and warrants to the Vendor as follows and the Purchaser acknowledges that the Vendor is relying on such representations and warranties in connection with the execution and delivery of this Agreement and its sale of the Purchased Assets.

### **5.1 Status of the Purchaser**

The Purchaser is a corporation duly incorporated, validly existing and in good standing (if applicable) under the laws of its jurisdiction of incorporation.

### **5.2 Due Authorization and Enforceability of Obligations**

- (a) The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement.
- (b) The execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action of the Purchaser.
- (c) This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against it in accordance with its terms.

### **5.3 No Violation**

The Purchaser is not a party to, bound or affected by or subject to any:

- (a) indenture, mortgage, lease, agreement, obligation or instrument;
- (b) charter or by-law; or
- (c) Laws or Governmental Authorizations;

that would be violated, breached by, or under which default would occur or an Encumbrance would be created as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any other agreement to be entered into under the terms of this Agreement.

### **5.4 Contractual Consents and Governmental Approvals**

The Purchaser is not required to obtain any consent or approval from, or to give notice to, a third party, or is required to obtain any permits, authorizations, or to give notice to a Governmental Authority, in connection with, or as a condition to, the lawful completion of the transaction contemplated by this Agreement.

## ARTICLE 6 CONDITIONS OF CLOSING

### 6.1 Conditions for the Benefit of the Purchaser and the Vendor

The respective obligations of the Purchaser and of the Vendor to consummate the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, on or prior to the Closing Date, each of the following conditions:

- (a) the Approval Order and, where required, any other Order required to consummate the transactions contemplated by this Agreement pursuant to the CCAA Proceedings shall have been issued and such Orders shall not have been reversed, modified, amended or stayed;
- (b) the Monitor has filed the Monitor's Certificate with the Court;
- (c) the Vendor has obtained the consent of the Interim Lender to the sale of the Purchased Assets and the transactions contemplated by this Agreement as required pursuant to the Interim Financing Term Sheet (the "**Interim Financing Consent**"); and
- (d) no provision of any applicable Law and no judgment, injunction, Order or decree that prohibits the consummation of the purchase of the Purchased Assets or any of the other transactions pursuant to this Agreement shall be in effect.

### 6.2 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to consummate the transactions contemplated by this Agreement is subject to the satisfaction of, or compliance with, or waiver by the Purchaser of, on or prior to the Closing Date, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Purchaser):

- (a) the representations and warranties of Vendor herein contained shall be true in all material respects when made and as of the Closing Date;
- (b) Vendor shall have entered into an assignment agreement in favour of the Purchaser with respect to all assignable warranties relating to the Purchased Assets.
- (c) Vendor shall have delivered a letter in the form agreed to on the date hereof between Purchaser and Vendor to each supplier that provided a warranty in respect of the Purchased Assets informing each supplier of the assignment of the Purchased Assets;
- (d) all obligations of Vendor contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects;
- (e) Honeywell International Inc. shall have signed novation agreement between Purchaser, Vendor and Honeywell International Inc. relating to the B737 Avionics Selection Agreement dated 12 May 2021 (as may have been amended from time to time) (the "**Honeywell Novation Agreement**");

- (f) Collins Aerospace shall have signed an assignment and assumption agreement between Purchaser, Vendor and Collins Aerospace relating to the contracts for the purchase of equipment to be installed on the Boeing 737-8 aircraft bearing manufacturer's serial numbers 63384, 63386, 63385, 66476, 66477, 66478, 63388 and 64479 (as may have been amended from time to time) (the "**Collins Novation Agreement**");
- (g) no change shall have occurred after the date of this Agreement in any applicable law which would make it illegal for any person to perform any of its obligations under this Agreement relating to the Purchased Assets; and
- (h) each of the deliveries required to be made to the Purchaser pursuant to Section 7.3(a) and 9.2 shall have been so delivered.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Purchaser, at or before the Closing Date, Purchaser may terminate this Agreement by written notice to Vendor. If Purchaser terminates this Agreement, Vendor and Purchaser shall be released and discharged from all obligations hereunder except as provided in Section 10.2.

### **6.3 Conditions for the Benefit of the Vendor**

The obligation of the Vendor to consummate the transactions contemplated by this Agreement is subject to the satisfaction of, or compliance with, or waiver where applicable by the Vendor of, on or prior to the Closing Date, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Vendor):

- (a) the representations and warranties of Purchaser herein contained shall be true in all material respects when made and as of the Closing Date;
- (b) all obligations of Purchaser contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects;
- (c) each of the deliveries required to be made to the Vendor pursuant to Section 7.3(b) shall have been so delivered; and
- (d) all amounts to be paid by Purchaser at Closing, including, without limitation, the Purchase Price, shall have been so paid in the form and manner stipulated in this Agreement.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Vendor, at or before the Closing Date, Purchaser may terminate this Agreement by written notice to Purchaser. If Vendor terminates this Agreement, Purchaser and Vendor shall be released and discharged from all obligations hereunder except as provided in Section 10.2.



**ARTICLE 7**  
**CLOSING MATTERS AND DELIVERABLES**

**7.1 Closing**

The closing of the transactions contemplated in this Agreement (the “**Closing**”) will take place on the Closing Date remotely via the exchange of documents and signatures, unless another time, date or manner is agreed to in writing by the Vendor and the Purchaser. The Closing shall be deemed effective as of the Closing Time.

**7.2 Transfer**

The transfer of ownership and possession and risk of loss of the Purchased Assets contemplated hereby to the Purchaser shall take effect as at the Closing Time, and from and after the Closing Time, Purchaser shall be solely responsible and liable for all obligations, costs and expenses associated with storage, freight or delivery of any of the Purchased Assets.

**7.3 Closing Deliveries**

- (a) On or before Closing, the Vendor shall deliver to the Purchaser the following:
  - (i) a filed copy of the Approval Order;
  - (ii) evidence of the Interim Financing Consent;
  - (iii) the Bill of Sale in the form attached as Schedule “D”, duly executed by Vendor;
  - (iv) the Early Termination Agreement in respect of the Commitment Agreement and Undelivered Lease Agreements between BOC Aviation Limited, the Purchaser and the Vendor, duly executed by the Vendor;
  - (v) the Honeywell Novation Agreement and Collins Novation Agreement, duly executed by the Vendor;
  - (vi) a receipt for the Purchase Price, duly executed by the Vendor; and
  - (vii) such further and other documents and assurances as the Purchaser may reasonably require to be delivered by or on behalf of the Vendor to complete the transactions contemplated hereby.
  
- (b) On or before Closing, the Purchaser shall deliver to the Vendor the following:
  - (i) the Bill of Sale in the form attached as Schedule “D”, duly executed by Purchaser;
  - (ii) the Early Termination Agreement in respect of the Commitment Agreement and Undelivered Lease Agreements between BOC Aviation Limited, the Purchaser and the Vendor, duly executed by the Purchaser and BOC Aviation Limited;

- (iii) the Honeywell Novation Agreement and Collins Novation Agreement, duly executed by the Purchaser;
- (iv) payment of the Purchase Price; and
- (v) such further and other documents and assurances as the Vendor may reasonably require to be delivered by or on behalf of the Purchaser to complete the transactions contemplated hereby.

## **ARTICLE 8 AS-IS, WHERE IS BASIS**

### **8.1 Independent Verification**

The Purchaser hereby acknowledges and agrees that it has conducted to its satisfaction an independent investigation and verification of the Purchased Assets (other than as to title), and, based solely thereon, has determined to proceed with the transactions contemplated by this Agreement. The Purchaser has relied solely on the results of its own independent investigation and verification, and the representations and warranties of the Vendor expressly and specifically set forth in Article 4, and the Purchaser understands, acknowledges and agrees that all other representations, warranties and statements of any kind or nature, expressed or implied (including any relating to the quality, quantity or condition of the Purchased Assets) are specifically disclaimed by the Vendor. Except for the representations and warranties of the Vendor expressly and specifically set forth in Article 4, the Vendor does not make or provide any warranty or representation, express or implied, as to the quality, merchantability, fitness for a particular purpose, conformity to samples or condition of the Purchased Assets, or any part thereof. THE PURCHASER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF THE VENDOR EXPRESSLY AND SPECIFICALLY SET FORTH IN Article 4 AND THE BILL OF SALE: (A) THE PURCHASER IS ACQUIRING THE PURCHASED ASSETS ON AN "AS IS, WHERE IS" BASIS; AND (B) NEITHER THE VENDOR, NOR ANY OTHER PERSON (INCLUDING ANY REPRESENTATIVE OF THE VENDOR, WHETHER IN ANY INDIVIDUAL, CORPORATE OR ANY OTHER CAPACITY) IS MAKING, AND THE PURCHASER IS NOT RELYING ON, ANY REPRESENTATIONS, WARRANTIES OR OTHER STATEMENTS OF ANY KIND WHATSOEVER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AS TO ANY MATTER CONCERNING THE PURCHASER, THE PURCHASED ASSETS, THIS AGREEMENT OR THE TRANSACTIONS, OR THE ACCURACY OR COMPLETENESS OF ANY INFORMATION PROVIDED TO (OR OTHERWISE ACQUIRED BY) THE PURCHASER OR ANY OF ITS RESPECTIVE REPRESENTATIVES; AND WITHOUT LIMITING THE FOREGOING, ANY AND ALL CONDITIONS OR WARRANTIES EXPRESSED OR IMPLIED PURSUANT TO THE SALE OF GOODS ACT (ALBERTA) AND ANY OTHER APPLICABLE SALE OF GOODS LEGISLATION, WILL NOT APPLY AND ARE HEREBY WAIVED BY THE VENDOR AND THAT THE PURCHASER IS PURCHASING THE PURCHASED ASSETS AT ITS OWN RISK AND ANY AND ALL CONDITIONS, WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, PURSUANT TO ANY APPLICABLE LAW IN ANY JURISDICTION, WHICH THE PURCHASER CONFIRMS DO NOT APPLY TO THIS AGREEMENT, AND ARE HEREBY WAIVED IN THEIR ENTIRETY BY THE BUYER. THE DISCLAIMER IN THIS SECTION 8.1 IS MADE NOTWITHSTANDING THE DELIVERY OR DISCLOSURE TO THE

PURCHASER OR ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR REPRESENTATIVES OF ANY DOCUMENTATION OR OTHER INFORMATION (INCLUDING ANY INFORMATION, DUE DILIGENCE MATERIALS OR OTHER SUPPLEMENTAL DATA NOT INCLUDED IN THIS AGREEMENT).

## **8.2 Due Diligence**

Purchaser acknowledges that it has, prior to the execution hereof, been given sufficient opportunity to conduct independent due diligence with all matters related to this Agreement and the transactions contemplated hereunder.

## **ARTICLE 9 COVENANTS**

### **9.1 Covenants to Closing**

- (a) During the period from the date of this Agreement until the Closing Date, and subject to the terms and conditions of this Agreement, each of the Vendor and the Purchaser shall use commercially reasonable efforts to take or cause to be taken all actions and to do or cause to be done all things necessary under the terms of this Agreement or applicable Laws to cause the satisfaction of the conditions set forth in Article and to consummate the transactions contemplated herein.
- (b) During the period from the date of this Agreement until the Closing Date, Vendor shall use commercially reasonable efforts to assist the Purchaser with producing or providing any documentation reasonably required to evidence traceability of the applicable Purchased Assets to the Vendor.

### **9.2 Assignment Procurement**

Vendor will use commercially reasonable efforts to assist the Purchaser, to the extent requested by Purchaser, in Purchaser seeking to obtain the assignment of any warranties granted by each manufacturer or supplier of the Purchased Assets to Purchaser or the Purchaser Nominee as applicable prior to the Closing Date.

### **9.3 Final Delivery Date and Outside Date**

- (a) If Purchased Assets that comprise of at least 50% of the monetary value of the Purchased Assets are damaged or suffer an accident or incident (as defined under the Geneva Convention) prior to the Closing Date which has a material adverse effect on the condition of the applicable Purchased Asset
- (b) If the Closing Date has not occurred by June 30, 2024, either Party may terminate this Agreement by providing written notice to the other Party, except that the right to terminate the Agreement under this Section 9.3(b) shall not be available to a Party if that Party's wilful default or breach of its obligations under this Agreement has been the sole case of, or resulted in, the failure of the Closing Date to occur by such date.

## 9.4 Termination

Upon any termination pursuant to this Article 9, neither the Vendor nor the Purchaser shall have any further rights, obligations or liabilities with respect to such Purchased Asset (other than accrued rights, obligations and liabilities, including in relation to costs, fees and expenses incurred and, for the avoidance of doubt, including damages in relation to pre-termination breaches) under this Agreement subject to Section 10.2.

## ARTICLE 10 MISCELLANEOUS

### 10.1 Notices

(a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by courier or by registered mail, charges prepaid, addressed as follows:

(i) if to the Vendor:

Lynx Air  
3215 – 12 Street NE  
Calgary, Alberta T2E 7S9

Attention: Mike Woodward  
Email: [Mike.Woodward@lynxair.com](mailto:Mike.Woodward@lynxair.com)

with a copy (which shall not constitute notice) to:

Osler, Hoskin & Harcourt LLP  
Suite 2700, Brookfield Place  
225 – 6<sup>th</sup> Avenue S.W.  
Calgary, AB T2P 1N2

Attention: Randal Van de Mosselaer & Justin Sherman  
Email: [rvandemosselaer@osler.com](mailto:rvandemosselaer@osler.com) / [jsherman@osler.com](mailto:jsherman@osler.com)

(ii) if to the Purchaser:

c/o BOC Aviation Limited  
79 Robinson Road, #15-01  
Singapore 068897

Attention: Legal and Transaction Management  
Email: [notices@bocaviation.com](mailto:notices@bocaviation.com)

(b)

Any such notice or other communication shall be deemed to have been given and received on the day on which it is delivered or transmitted (or, if such day is not a Business Day, on the next following Business Day) or, if couriered, on the date of delivery as confirmed by the applicable courier, or if mailed, on the seventh Business Day following the date of mailing; provided, however, that if at the time

of mailing or within seven Business Days thereafter there is or occurs a labour dispute or other event that might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered by courier or transmitted by means of recorded electronic communication as aforesaid.

- (c) Any Party may at any time change its address for service from time to time by giving notice to the other Parties in accordance with this Section 10.1.

## 10.2 Confidentiality

- (a) From and after the date of this Agreement, each of the Vendor and the Purchaser shall, and shall cause each of their Affiliates and each of its and their Affiliates' Representatives to, keep confidential this Agreement and all information disclosed to it ("**Confidential Information**") in connection with the transactions contemplated hereby, by or on behalf of the other Party and relating to the other Party, except information that:
  - (i) is part of the public domain as of the date of this Agreement;
  - (ii) becomes part of the public domain on or after the date of this Agreement other than as a result of breach of this Section 10.2;
  - (iii) can be demonstrated to have been known or available to such person before receipt of such information from the other Party or independently developed by such person;
  - (iv) was received in good faith from an independent third party, who was lawfully in possession of such information free of any obligation of confidentiality; or
  - (v) such person or any of its Affiliates is required to disclose pursuant to applicable Law or court proceedings, including without limitation, in connection with obtaining the Approval Order or the CCAA Proceedings.
- (b) Each Party may disclose Confidential Information to its respective board of directors or equivalent governing bodies, shareholders, their agents, employees and professional advisors in connection with the performance of services provided by them, in connection with the enforcement of this Agreement, in connection with any audit, or as may otherwise be required by law, regulation or judicial process or as required by the rules of any stock exchange that are applicable to it or any of its Affiliates.

## 10.3 Survival

None of the representations, warranties, covenants (except to the extent they are to be performed after the Closing) of any of the Parties set forth in this Agreement or in any other agreement, document or certificate delivered pursuant to or in connection with this Agreement or the transactions contemplated hereby shall survive the Closing.

#### **10.4 Successors and Assigns**

This Agreement shall enure to the benefit of and shall be binding on and enforceable by the Parties and their respective successors and permitted assigns. No Party may assign any of it or his rights or obligations hereunder without the prior written consent of the other Parties.

#### **10.5 Severability**

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination shall not impair or affect the validity, legality or enforceability of the remaining provisions hereof, and each provision is hereby declared to be separate, severable and distinct.

#### **10.6 Amendments and Waivers**

No amendment or waiver of any provision of this Agreement shall be binding on any Party unless consented to in writing by such Party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver constitute a continuing waiver unless otherwise expressly provided.

#### **10.7 Further Assurances**

From time to time subsequent to the Closing Date, each Party shall promptly execute and deliver all such documents, including all such further bills of sale, assignments, conveyances, transfers, consents and other assurances, and do all such further acts and things, as any other Party may reasonably request in order to effectively carry out or perform or better evidence the full intent and meaning of this Agreement.

#### **10.8 Costs and Expenses**

Each of the Parties shall be responsible for, and shall pay, their respective legal and accounting costs and expenses incurred in connection with the preparation, execution and delivery of this Agreement and all documents executed pursuant hereto and any other costs and expenses in connection with the transactions contemplated hereby.

#### **10.9 Governing Law and Attornment**

This Agreement, and each of the documents contemplated by or delivered under or in connection with this Agreement, shall be governed by and construed in accordance with the laws of the Province of Alberta, without reference to conflict of laws rules. The Parties agree that the courts of the Province of Alberta will have exclusive jurisdiction to determine all disputes arising between the Parties (or any of them) in respect of this Agreement and the matters contemplated hereby and each of the Parties hereby irrevocably attorns to the jurisdiction of such courts.

#### **10.10 Counterparts**

This Agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. Execution of this Agreement may be made by facsimile signature or by any other electronic form which, for all purposes, shall be deemed to be an original signature.

IN WITNESS WHEREOF this Agreement has been executed by the Parties as of the date first above written.

**1263343 ALBERTA INC.**

By: \_\_\_\_\_

Name:

Title:

**BOC AVIATION (CAYMAN) LIMITED**



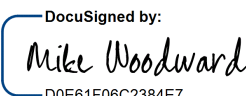
By: \_\_\_\_\_

Name: Mark Hanley

Title: Director

IN WITNESS WHEREOF this Agreement has been executed by the Parties as of the date first above written.

**1263343 ALBERTA INC.**

By:  \_\_\_\_\_  
Name: Mike Woodward  
Title: Interim CFO

**BOC AVIATION (CAYMAN) LIMITED**

By: \_\_\_\_\_  
Name:  
Title:



**SCHEDULE "A"**  
**Purchased Assets**

(See attached.)

**BFE Warranties and Bill of Sale**

No	Part Number	Part Name	Supplier Name	SIL/ABQ 1M953 63384	SIL/ABQ 1M954 63386	SIL/ABQ 1M955 63385	SIL/ABQ 1M956 66476	SIL/ABQ 1M957 66477	SIL/ABQ 1M958 66478	SIL/ABQ 1M959 63388	SIL/ABQ 1M960 66479
1	066-01212-0301	AIR TRAFFIC CONTROL (ATC) TRANSPONDER	HONEYWELL	QTY 2, BFE S23134376 S23134382	QTY 2, BFE S22006953 S22399455						
2	066-50007-0631	RADIO ALTIMETER (RA) TRANSCIVER	HONEYWELL	QTY 2, BFE ALA52B-19434 ALA52B-19435	QTY 2, BFE ALA52B-22600 ALA52B-22606						
3	066-50013-1511	DISTANCE MEASURING EQUIPMENT (DME) INTERROGATOR	HONEYWELL INTERNATIONAL INC	QTY 2, BFE DMA37B-25371 DMA37B-25383	QTY 2, BFE DMA37B-26035 DMA37B-26037						
4	066-50014-1501	AUTOMATIC DIRECTION FINDER (ADF) RECEIVER	HONEYWELL INCORPORATED	QTY 1, BFE DFA75B-14246	QTY 1, BFE DFA75B-13024						
5	071-01503-2601	ATC/TCAS Control Pnl Dual	HONEYWELL	QTY 1, BFE CTA81A-28655	QTY 1, BFE CTA81A-50080						
6	071-50001-8102	TRAFFIC ALERT AND COLLISION AVOIDANCE SYSTEM (TCAS) ANTENNA	HONEYWELL	QTY 2, BFE 582-45129 582-45130	QTY 2, BFE 582-45954 582-46013						
7	19-2101X1X-88	STANDARD LAP BELT BELT	SCHROTH SAFETY PRODUCTS GMBH	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE			
8	2041683-7507	AUTOMATIC DIRECTION FINDER (ADF) ANTENNA	HONEYWELL INCORPORATED	QTY 1, BFE 575-34828	QTY 1, BFE 575-36257						
9	2624-82	Antenna, ELT	CHELTON (ELECTROSTATICS) LTD	QTY 1, BFE 262482-16566	QTY 1, BFE 262482-16779	QTY 1, BFE	QTY 1, BFE	QTY 1, BFE	QTY 1, BFE	QTY 1, BFE	QTY 1, BFE
10	289-1002	OXYGEN MASK, DEMO	AVOX SYSTEMS INC	QTY 3, BFE	QTY 3, BFE						
11	289-601-248	OXYGEN MASK	AVOX SYSTEMS INC	QTY 12, BFE	QTY 12, BFE	QTY 12, BFE	QTY 12, BFE				
12	3710DU89-31-011	STD	RECARO AIRCRAFT SEATING DIVISION	QTY 19, BFE	QTY 19, BFE						
13	3710DU89-31-051	NARROW SEAT, SPECIAL EXIT SEAT CUSHION, SHORT ARMREST O/B, FOLD. ARMREST I/B	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
14	3710DU89-31-071	NARROW SEAT	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
15	3710DU89-31-081	NARROW SEAT	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
16	3710DU89-31-161	LAST ROW, NARROW SEAT, NO BACKREST TABLE, NO LIT. POCKET	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
17	3710DU89-31-611	STD, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION	QTY 2, BFE	QTY 2, BFE						
18	3710DU89-31-621	NARROW SEAT, COMFORT UPRIGHT. SPECIAL SEATLEG 19.41"	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
19	3710DU89-31-661	Y/C+, STD, NARROW SEAT, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION	QTY 2, BFE	QTY 2, BFE						
20	3710DU89-31-731	Y/C+, IAT, NARROW SEAT, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
21	3710DU89-31-931	STD, SPECIAL UPRIGHT 21.95"	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
22	3710DU89-31-941	NAR SEAT, SP EXIT SEAT CUSH, SHORT ARMREST O/B, FOLD. ARMREST I/B, SP URT 21.95"	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
23	3710DU89-32-011	STD	RECARO AIRCRAFT SEATING DIVISION	QTY 22, BFE	QTY 22, BFE						
24	3710DU89-32-051	NARROW SEAT, SPECIAL EXIT SEAT CUSHION, SHORT ARMREST O/B, FOLD. ARMREST I/B	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
25	3710DU89-32-071	NARROW SEAT	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
26	3710DU89-32-081	NARROW SEAT	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
27	3710DU89-32-111	NARROW SEAT, SPECIAL SEATLEG 20.41"	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
28	3710DU89-32-161	LAST ROW, NARROW SEAT, NO BACKREST TABLE, NO LIT. POCKET	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
29	3710DU89-32-661	STD, NARROW SEAT, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION	QTY 2, BFE	QTY 2, BFE						
30	3710DU89-32-741	Y/C+, IAT, NARROW SEAT, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
31	3710DU89-32-931	STD, SPECIAL UPRIGHT 21.95"	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
32	3710DU89-32-941	NAR SEAT, SP EXIT SEAT CUSH, SHORT ARMREST O/B, FOLD. ARMREST I/B, SP URT 21.95"	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						

33	4360004-85-00-18	Water Boiler	COLLINS AEROSPACE	QTY 3, BFE N22010142AA284 0 N22010143AA284 1 N22020169AA286 7	QTY 3, BFE N24020175AA328 7 N24020176AA328 8 N24020177AA328 9	QTY 3, BFE N24020179AA329 0 N24020180AA329 1 N24020181AA329 2	QTY 3, BFE N24020238AA329 3 N24020239AA329 4 N24020240AA329 5	QTY 3, BFE N24020241AA329 6 N24020242AA329 7 N24020243AA329 8	QTY 3, BFE	QTY 3, BFE	QTY 3, BFE
34	51090414-1	EMERGENCY LOCATOR TRANSMITTER	DUKANE SEACOM INC	QTY 1, BFE Q2349	QTY 1, BFE Q2828						
35	622-5342-101	AMPLIFIER, ARINC 715	ROCKWELL COLLINS INC	QTY 1, BFE 4VR58X	QTY 1, BFE 4VRD67						
36	69002600-0101	MULTI-MODE RECEIVER (MMR) - IMMR	HONEYWELL	QTY 2, BFE IMMR-07193 IMMR-07220	QTY 2, BFE IMMR-07431 IMMR-07612						
37	69004750-001	SOLID STATE DIGITAL FLIGHT DATA RECORDER - HONEYWELL (2048 WORDS/90 DAY ULR)	HONEYWELL	QTY 1, BFE A28533-002	QTY 1, BFE A29044-003						
38	69004751-002	COCKPIT VOICE RECORDER - HONEYWELL (25 HR CAPACITY) (90 DAY ULR)	HONEYWELL	QTY 1, BFE A27229-003	QTY 1, BFE Not issued yet						
39	701-10300-00	ICS-300 SATELLITE DATA UNIT (SDU)	ROCKWELL COLLINS INC	QTY 1, BFE 4YRTNN	QTY 1, BFE 4YRVPN	QTY 1, BFE 4YT169					
40	701-10600-00	SDU CONFIGURATION MODULE (SCM)	ROCKWELL COLLINS INC	QTY 1, BFE 4T29NG	QTY 1, BFE 4V1023	QTY 1, BFE 4V102Y					
41	930-1000-002	WX RADAR PROCESSOR RP-1	HONEYWELL INTERNATIONAL INC	QTY 1, BFE RP09691	QTY 1, BFE RP09916						
42	930-2000-010	WXR TRANSMITTER/RECEIVE R	HONEYWELL INTERNATIONAL INC	QTY 1, BFE TR11543	QTY 1, BFE TR12384						
43	930-3000-001	WXR ANTENNA DRIVE	HONEYWELL INTERNATIONAL INC	QTY 1, BFE DA07462	QTY 1, BFE DA07702						
44	930-4301-001	WXR ANTENNA FLAT PLATE	HONEYWELL INTERNATIONAL INC	QTY 1, BFE FP07731	QTY 1, BFE FP07873						
45	930-5101-001	WEATHER RADAR CONTROL PANEL	HONEYWELL INCORPORATED	QTY 1, BFE 1144AA2766	QTY 1, BFE 1144AA2840						
46	940-0351-001	TRAFFIC ALERT AND COLLISION AVOIDANCE SYSTEM (TCAS) COMPUTER	HONEYWELL	QTY 1, BFE TPA26699	QTY 1, BFE TPA27421						
47	964-0465-001	AIRPLANE PERSONALITY MODULE (APM)	HONEYWELL	QTY 1, BFE APM 08305	QTY 1, BFE APM 08858						
48	965-0758-006	COMMUNICATIONS MANAGEMENT UNIT	HONEYWELL	QTY 1, BFE CMUUMK2-08864	QTY 1, BFE CMUUMK2-08860						
49	965-1696-021	VHF COMMUNICATIONS TRANSCIVER	HONEYWELL	QTY 3, BFE RTA50D-09074 RTA50D-09089 RTA50D-09090	QTY 3, BFE RTA50D-09568 RTA50D-09578 RTA50D-09631						
50	971-4193-001	DFDR Accelerometer	HONEYWELL INCORPORATED	QTY 1, BFE 20766	QTY 1, BFE 21016						
51	980-6116-001	Microphone/Monitor	HONEYWELL	QTY 1, BFE VRCPCAM-10885	QTY 1, BFE VRCPCAM-11230						
52	ACR/EM-1A	MEGAPHONE	ACR ELECTRONICS INC	QTY 2, BFE	QTY 3, BFE						
53	DLH1443-015	ICE DRAWER	SAFRAN	QTY 4, BFE	QTY 4, BFE						
54	DLH1950	ICE CONTAINER	SAFRAN	QTY 2, BFE	QTY 2, BFE						
55	DLH294	STANDARD CONTAINER	SAFRAN	QTY 25, BFE	QTY 25, BFE						
56	E/19-2500-88	EXTENSION ASSEMBLY	SCHROTH SAFETY PRODUCTS GMBH	QTY 15, BFE	QTY 15, BFE	QTY 15, BFE	QTY 15, BFE	QTY 15, BFE			
57	G7116-01	Control Panel, Emergency Locator Transmitter	GABLES ENGINEERING INC	QTY 1, BFE 80262	QTY 1, BFE 86012	QTY 1, BFE 86968					
58	G7402-04	ADF Control Panel - for single ADF	GABLES ENGINEERING INC	QTY 1, BFE 80181	QTY 1, BFE 86037	QTY 1, BFE 87219					
59	G7404-124	RADIO TUNING PANEL	GABLES ENGINEERING	QTY 3, BFE 80161 80162 81460	QTY 3, BFE 85306 85307 85308	QTY 3, BFE 86749 86750 86751					
60	G7501-01	737NG MULTI-MODE (ILS, GLS, MLS, VOR, DME) NAVIGATION CONTROL PANEL	GABLES	QTY 2, BFE 80042 80043	QTY 2, BFE 84951 84952	QTY 2, BFE 86345 86346					
61	GB03A1100000000	GALLEY 1	TURKISH CABIN INTERIORS TCI	QTY 1, BFE TCI- U000175782	QTY 1, BFE TCI- W000009303						
62	GB03A2200000000	GALLEY 4B	TURKISH CABIN INTERIORS TCI	QTY 1, BFE TCI- U000175784	QTY 1, BFE TCI- W000009377						
63	MC10-25-110	CREW OXYGEN MASK/REGULATOR	AVOX SYSTEMS INC	QTY 3, BFE B179545 B179772 B179777	QTY 3, BFE B194571 B194579 B194582						
64	MR-10022NAA	SMOKE HOOD (PBE)	ESSEX PB&R CORPORATION	QTY 1, BFE	QTY 1, BFE	QTY 1, BFE	QTY 1, BFE	QTY 1, BFE			
65	MR-10022NAA	SMOKE HOOD (PBE)	ESSEX PB&R CORPORATION	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE			
66	MXP210-00	Smoke Goggles, EROS, for use with MC10 series masks	AVOX SYSTEMS INC	QTY 3, BFE	QTY 3, BFE						
67	P01400-207W	LIFE VEST, UNIVERSAL	EASTERN AERO MARINE INC	QTY 214, BFE	QTY 214, BFE	QTY 214, BFE					
68	P01400-207W	LIFE VEST, UNIVERSAL	EASTERN AERO MARINE INC	QTY 3, BFE	QTY 3, BFE	QTY 3, BFE					
69	P01400-207WC	LIFE VEST, UNIVERSAL CREW	EASTERN AERO MARINE INC	QTY 3, BFE	QTY 3, BFE	QTY 3, BFE	QTY 3, BFE				
70	P01400-207WC	LIFE VEST, UNIVERSAL CREW	EASTERN AERO MARINE INC	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE				
71	P01400-207WD	LIFE VEST, DEMO	EASTERN AERO MARINE INC	QTY 3, BFE	QTY 3, BFE	QTY 3, BFE					

72	P2-07-0015-003	LED FLASHLIGHT AND BRACKET	DME CORPORATION	QTY 2, BFE	QTY 2, BFE	QTY 2, BFE	QTY 2, BFE	QTY 2, BFE	QTY 2, BFE		
73	P2-07-0015-003	LED FLASHLIGHT AND BRACKET	DME CORPORATION	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE		
74	RD-AX7370-01	WALL MOUNT PRAM	PANASONIC	QTY 1, BFE J776426	QTY 1, BFE J792834	QTY 1, BFE J913336	QTY 1, BFE J924557	QTY 1, BFE J924558			
75	SL3924AA01	SELCAL DECODER	TEAM INC	QTY 1, BFE 2719	QTY 1, BFE 2761	QTY 1, BFE 2771	QTY 1, BFE 2774				
76	TH500001	Half Size Waste Cart	SAFRAN	QTY 2, BFE 22153239 22153240	QTY 2, BFE 23192056 23192057						
77	TK500001	Full Size Cart	SAFRAN	QTY 4, BFE 22153263 22153264 22153265 22153266	QTY 4, BFE 23192049 23192050 23192051 23192052						
78	TL500001	Half Size Cart	SAFRAN	QTY 3, BFE 22153298 22153299 22153300	QTY 3, BFE 23192053 23192054 23192055						
79	WB500001	Waste Bin	SAFRAN	QTY 2, BFE	QTY 2, BFE						

**SCHEDULE "B"**  
**Wire Instructions**

(See attached.)

## Lynx Air USD Currency Payment Instruction

### COMPANY INFORMATION

**Name/Beneficiary:** 1263343 Alberta Inc.

**Address:** 3215 12th Street NE, Calgary Alberta, T2E 7S9

**Contact:** Mike Woodward

**Email:** mike.woodward@lynxair.com

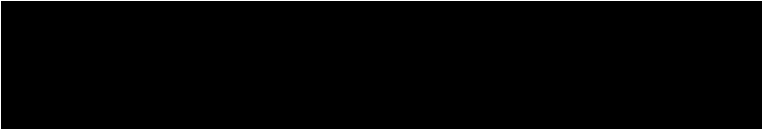
**Telephone:** 1 (403) 278-7705

### BANKING INFORMATION

#### USD Wires to Lynx Air through ATB Financial:

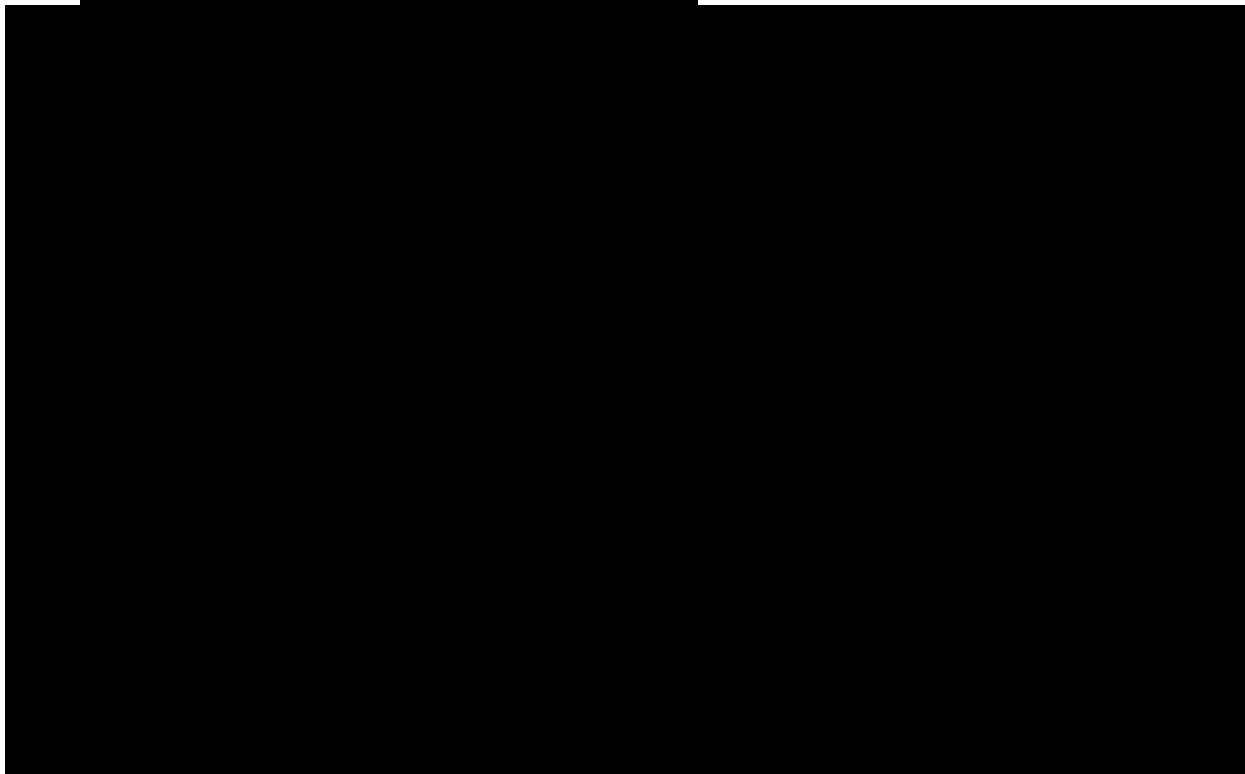
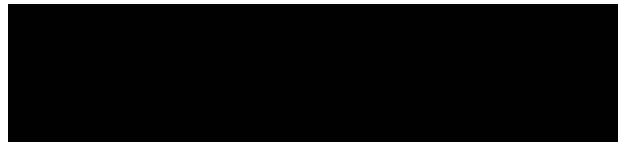
##### Step 1:

- Send as a Domestic wire to Bank of America:



##### Step 2:

- Bank of America N.A. New York will receive the wire, then redirect to ATB Financial
- Final Beneficiary



**SCHEDULE “C”  
Purchase Price Allocation**

(See attached.)

**BFE Value per Part Number**

No	Part Number	Part Name	Supplier Name
1	066-01212-0301	AIR TRAFFIC CONTROL (ATC) TRANSPONDER	HONEYWELL
2	066-50007-0631	RADIO ALTIMETER (RA) TRANSCIVER	HONEYWELL
3	066-50013-1511	DISTANCE MEASURING EQUIPMENT (DME) INTERROGATOR	HONEYWELL INTERNATIONAL INC
4	066-50014-1501	AUTOMATIC DIRECTION FINDER (ADF) RECEIVER	HONEYWELL INCORPORATED
5	071-01503-2601	ATC/TCAS Control Pnl Dual	HONEYWELL
6	071-50001-8102	TRAFFIC ALERT AND COLLISION AVOIDANCE SYSTEM (TCAS) ANTENNA	HONEYWELL
7	19-2J01X1X-88	STANDARD LAP BELT BELT	SCHROTH SAFETY PRODUCTS GMBH
8	2041683-7507	AUTOMATIC DIRECTION FINDER (ADF) ANTENNA	HONEYWELL INCORPORATED
9	2624-82	Antenna, ELT	CHELTON (ELECTROSTATICS) LTD
10	289-1002	OXYGEN MASK, DEMO	AVOX SYSTEMS INC
11	289-601-248	OXYGEN MASK	AVOX SYSTEMS INC
12	3710DU89-31-011	STD	RECARO AIRCRAFT SEATING DIVISION
13	3710DU89-31-051	NARROW SEAT, SPECIAL EXIT SEAT CUSHION, SHORT ARMREST O/B, FOLD. ARMREST I/B	RECARO AIRCRAFT SEATING DIVISION
14	3710DU89-31-071	NARROW SEAT	RECARO AIRCRAFT SEATING DIVISION
15	3710DU89-31-081	NARROW SEAT	RECARO AIRCRAFT SEATING DIVISION
16	3710DU89-31-161	LAST ROW, NARROW SEAT, NO BACKREST TABLE, NO LIT. POCKET	RECARO AIRCRAFT SEATING DIVISION
17	3710DU89-31-611	STD, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION
18	3710DU89-31-621	NARROW SEAT, COMFORT UPRIGHT. SPECIAL SEATLEG 19.41"	RECARO AIRCRAFT SEATING DIVISION
19	3710DU89-31-661	Y/C+, STD, NARROW SEAT, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION
20	3710DU89-31-731	Y/C+, IAT, NARROW SEAT, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION
21	3710DU89-31-931	STD, SPECIAL UPRIGHT 21.95"	RECARO AIRCRAFT SEATING DIVISION
22	3710DU89-31-941	NAR SEAT, SP EXIT SEAT CUSH, SHORT ARMREST O/B, FOLD. ARMREST I/B, SP URT 21.95"	RECARO AIRCRAFT SEATING DIVISION
23	3710DU89-32-011	STD	RECARO AIRCRAFT SEATING DIVISION
24	3710DU89-32-051	NARROW SEAT, SPECIAL EXIT SEAT CUSHION, SHORT ARMREST O/B, FOLD. ARMREST I/B	RECARO AIRCRAFT SEATING DIVISION
25	3710DU89-32-071	NARROW SEAT	RECARO AIRCRAFT SEATING DIVISION
26	3710DU89-32-081	NARROW SEAT	RECARO AIRCRAFT SEATING DIVISION
27	3710DU89-32-111	NARROW SEAT, SPECIAL SEATLEG 20.41"	RECARO AIRCRAFT SEATING DIVISION
28	3710DU89-32-161	LAST ROW, NARROW SEAT, NO BACKREST TABLE, NO LIT. POCKET	RECARO AIRCRAFT SEATING DIVISION
29	3710DU89-32-661	STD, NARROW SEAT, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION
30	3710DU89-32-741	Y/C+, IAT, NARROW SEAT, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION
31	3710DU89-32-931	STD, SPECIAL UPRIGHT 21.95"	RECARO AIRCRAFT SEATING DIVISION
32	3710DU89-32-941	NAR SEAT, SP EXIT SEAT CUSH, SHORT ARMREST O/B, FOLD. ARMREST I/B, SP URT 21.95"	RECARO AIRCRAFT SEATING DIVISION
33	4360004-85-00-18	Water Boiler	COLLINS AEROSPACE
34	51090414-1	EMERGENCY LOCATOR TRANSMITTER	DUKANE SEACOM INC
35	622-5342-101	AMPLIFIER, ARINC 715	ROCKWELL COLLINS INC
36	69002600-0101	MULTI-MODE RECEIVER (MMR) - IMMR	HONEYWELL
37	69004750-001	SOLID STATE DIGITAL FLIGHT DATA RECORDER - HONEYWELL (2048 WPS) (90 DAY ULB)	HONEYWELL
38	69004751-002	COCKPIT VOICE RECORDER - HONEYWELL (25 HR CAPACITY) (90 DAY ULB)	HONEYWELL
39	701-10300-00	ICS-300 SATELLITE DATA UNIT (SDU)	ROCKWELL COLLINS INC
40	701-10600-00	SDU CONFIGURATION MODULE (SCM)	ROCKWELL COLLINS INC
41	930-1000-002	WX RADAR PROCESSOR RP-1	HONEYWELL INTERNATIONAL INC
42	930-2000-010	WXR TRANSMITTER/RECEIVER	HONEYWELL INTERNATIONAL INC
43	930-3000-001	WXR ANTENNA DRIVE	HONEYWELL INTERNATIONAL INC
44	930-4301-001	WXR ANTENNA FLAT PLATE	HONEYWELL INTERNATIONAL INC
45	930-5101-001	WEATHER RADAR CONTROL PANEL	HONEYWELL INCORPORATED
46	940-0351-001	TRAFFIC ALERT AND COLLISION AVOIDANCE SYSTEM (TCAS) COMPUTER	HONEYWELL
47	964-0465-001	AIRPLANE PERSONALITY MODULE (APM)	HONEYWELL
48	965-0758-006	COMMUNICATIONS MANAGEMENT UNIT	HONEYWELL
49	965-1696-021	VHF COMMUNICATIONS TRANSCIVER	HONEYWELL
50	871-4193-001	DFDR Accelerometer	HONEYWELL INCORPORATED
51	980-6116-001	Microphone/Monitor	HONEYWELL
52	ACB/EM-1A	MEGAPHONE	ACR ELECTRONICS INC
53	DLH1443-015	ICE DRAWER	SAFRAN
54	DLH1950	ICE CONTAINER	SAFRAN
55	DLH294	STANDARD CONTAINER	SAFRAN
56	E/19-2500-88	EXTENSION ASSEMBLY	SCHROTH SAFETY PRODUCTS GMBH
57	G7116-01	Control Panel, Emergency Locator Transmitter	GABLES ENGINEERING INC
58	G7402-04	ADF Control Panel - for single ADF	GABLES ENGINEERING INC
59	G7404-124	RADIO TUNING PANEL	GABLES ENGINEERING
60	G7501-01	737NG MULTI-MODE (ILS, GLS, MLS, VOR, DME) NAVIGATION CONTROL PANEL	GABLES
61	GB03A1100000000	GALLEY 1	TURKISH CABIN INTERIORS TCI
62	GB03A2200000000	GALLEY 4B	TURKISH CABIN INTERIORS TCI
63	MC10-25-110	CREW OXYGEN MASK/REGULATOR	AVOX SYSTEMS INC
64	MR-10022NAA	SMOKE HOOD (PBE)	ESSEX PB&R CORPORATION
65	MR-10022NAA	SMOKE HOOD (PBE)	ESSEX PB&R CORPORATION
66	MXP210-00	Smoke Goggles, EROS, for use with MC10 series masks	AVOX SYSTEMS INC
67	P01400-207W	LIFE VEST, UNIVERSAL	EASTERN AERO MARINE INC
68	P01400-207W	LIFE VEST, UNIVERSAL	EASTERN AERO MARINE INC
69	P01400-207WC	LIFE VEST, UNIVERSAL. CREW	EASTERN AERO MARINE INC
70	P01400-207WC	LIFE VEST, UNIVERSAL. CREW	EASTERN AERO MARINE INC
71	P01400-207WD	LIFE VEST, DEMO	EASTERN AERO MARINE INC
72	P2-07-0015-003	LED FLASHLIGHT AND BRACKET	DIME CORPORATION
73	P2-07-0015-003	LED FLASHLIGHT AND BRACKET	DIME CORPORATION
74	RD-AX7370-01	WALL MOUNT PRAM	PANASONIC
75	SL3924AA01	SELCAL DECODER	TEAM INC
76	TH500001	Half Size Waste Cart	SAFRAN
77	TK500001	Full Size Cart	SAFRAN
78	TL500001	Half Size Cart	SAFRAN
79	WB500001	Waste Bin	SAFRAN



**SCHEDULE "D"**  
**Form of Bill of Sale**

(See attached.)

## BILL OF SALE

**THIS AGREEMENT** is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2024,

**BETWEEN:**

**1263343 ALBERTA INC. (d/b/a LYNX AIR)**, a corporation existing under the laws of the Province of Alberta (the “**Vendor**”)

- and -

**BOC AVIATION (CAYMAN) LIMITED**, a corporation existing under the laws of the Cayman Islands (the “**Purchaser**”)

**WHEREAS** the Vendor has agreed to sell, and the Purchaser has agreed to purchase, the assets described in Schedule “A” hereto (collectively, the “**Purchased Assets**”), on the terms and conditions set forth in an asset purchase agreement between the Vendor and the Purchaser (the “**Asset Purchase Agreement**”).

**NOW THEREFORE** in consideration of the payment by the Purchaser to the Vendor in consideration for the amounts set forth in the Asset Purchase Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereto covenant and agree as follows:

1. The Vendor hereby sells, transfers, assigns, sets over and conveys to the Purchaser all of the Vendor’s right, title and interest as of the date hereof in and to the Purchased Assets, and all rights, benefits and advantages whatsoever to be derived therefrom accruing from and after the date hereof to have and to hold the same unto the Purchaser absolutely.
2. The Vendor represents and warrants that the Vendor has good and marketable title to the Purchased Assets and that the Purchased Assets conveyed hereunder are free and clear of all liens, charges, encumbrances and liabilities of any kind.
3. The parties agree that they shall execute and deliver, at the reasonable request of the other, such further assurances as may be necessary to give full effect to the intent and meaning of this Agreement.
4. This Agreement shall be interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
5. This Agreement shall be binding upon and enure to the benefit of each of the parties hereto and upon their respective successors and assigns.
6. This Agreement may be executed in counterpart and that the executed counterparts shall together form this Agreement. Any such executed counterpart may be delivered by facsimile transmission or by email in PDF and will be deemed to be an original document.

**IN WITNESS WHEREOF** the parties hereto have duly executed this Agreement effective as of the date first above written.

**1263343 ALBERTA INC.**

By: \_\_\_\_\_

Name:

Title:

**BOC AVIATION (CAYMAN) LIMITED**

By: \_\_\_\_\_

Name:

Title:

**SCHEDULE "A"**  
**PURCHASED ASSETS**

*See Attached.*

**BFE Warranties and Bill of Sale**

No	Part Number	Part Name	Supplier Name	SIL/ABQ 1M953 63384	SIL/ABQ 1M954 63386	SIL/ABQ 1M955 63385	SIL/ABQ 1M956 66476	SIL/ABQ 1M957 66477	SIL/ABQ 1M958 66478	SIL/ABQ 1M959 63388	SIL/ABQ 1M960 66479
1	066-01212-0301	AIR TRAFFIC CONTROL (ATC) TRANSPONDER	HONEYWELL	QTY 2, BFE S23134376 S23134382	QTY 2, BFE S22006953 S22399455						
2	066-50007-0631	RADIO ALTIMETER (RA) TRANSCIVER	HONEYWELL	QTY 2, BFE ALA52B-19434 ALA52B-19435	QTY 2, BFE ALA52B-22600 ALA52B-22606						
3	066-50013-1511	DISTANCE MEASURING EQUIPMENT (DME) INTERROGATOR	HONEYWELL INTERNATIONAL INC	QTY 2, BFE DMA37B-25371 DMA37B-25383	QTY 2, BFE DMA37B-26035 DMA37B-26037						
4	066-50014-1501	AUTOMATIC DIRECTION FINDER (ADF) RECEIVER	HONEYWELL INCORPORATED	QTY 1, BFE DFA75B-14246	QTY 1, BFE DFA75B-13024						
5	071-01503-2601	ATC/TCAS Control Pnl Dual	HONEYWELL	QTY 1, BFE CTA81A-28655	QTY 1, BFE CTA81A-50080						
6	071-50001-8102	TRAFFIC ALERT AND COLLISION AVOIDANCE SYSTEM (TCAS) ANTENNA	HONEYWELL	QTY 2, BFE 582-45129 582-45130	QTY 2, BFE 582-45954 582-46013						
7	19-2101X1X-88	STANDARD LAP BELT BELT	SCHROTH SAFETY PRODUCTS GMBH	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE			
8	2041683-7507	AUTOMATIC DIRECTION FINDER (ADF) ANTENNA	HONEYWELL INCORPORATED	QTY 1, BFE 575-34828	QTY 1, BFE 575-36257						
9	2624-82	Antenna, ELT	CHELTON (ELECTROSTATICS) LTD	QTY 1, BFE 262482-16566	QTY 1, BFE 262482-16779	QTY 1, BFE	QTY 1, BFE	QTY 1, BFE	QTY 1, BFE	QTY 1, BFE	QTY 1, BFE
10	289-1002	OXYGEN MASK, DEMO	AVOX SYSTEMS INC	QTY 3, BFE	QTY 3, BFE						
11	289-601-248	OXYGEN MASK	AVOX SYSTEMS INC	QTY 12, BFE	QTY 12, BFE	QTY 12, BFE	QTY 12, BFE				
12	3710DU89-31-011	STD	RECARO AIRCRAFT SEATING DIVISION	QTY 19, BFE	QTY 19, BFE						
13	3710DU89-31-051	NARROW SEAT, SPECIAL EXIT SEAT CUSHION, SHORT ARMREST O/B, FOLD. ARMREST I/B	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
14	3710DU89-31-071	NARROW SEAT	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
15	3710DU89-31-081	NARROW SEAT	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
16	3710DU89-31-161	LAST ROW, NARROW SEAT, NO BACKREST TABLE, NO LIT. POCKET	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
17	3710DU89-31-611	STD, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION	QTY 2, BFE	QTY 2, BFE						
18	3710DU89-31-621	NARROW SEAT, COMFORT UPRIGHT. SPECIAL SEATLEG 19.41"	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
19	3710DU89-31-661	Y/C+, STD, NARROW SEAT, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION	QTY 2, BFE	QTY 2, BFE						
20	3710DU89-31-731	Y/C+, IAT, NARROW SEAT, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
21	3710DU89-31-931	STD, SPECIAL UPRIGHT 21.95"	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
22	3710DU89-31-941	NAR SEAT, SP EXIT SEAT CUSH, SHORT ARMREST O/B, FOLD. ARMREST I/B, SP URT 21.95"	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
23	3710DU89-32-011	STD	RECARO AIRCRAFT SEATING DIVISION	QTY 22, BFE	QTY 22, BFE						
24	3710DU89-32-051	NARROW SEAT, SPECIAL EXIT SEAT CUSHION, SHORT ARMREST O/B, FOLD. ARMREST I/B	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
25	3710DU89-32-071	NARROW SEAT	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
26	3710DU89-32-081	NARROW SEAT	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
27	3710DU89-32-111	NARROW SEAT, SPECIAL SEATLEG 20.41"	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
28	3710DU89-32-161	LAST ROW, NARROW SEAT, NO BACKREST TABLE, NO LIT. POCKET	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
29	3710DU89-32-661	STD, NARROW SEAT, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION	QTY 2, BFE	QTY 2, BFE						
30	3710DU89-32-741	Y/C+, IAT, NARROW SEAT, COMFORT UPRIGHT	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
31	3710DU89-32-931	STD, SPECIAL UPRIGHT 21.95"	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						
32	3710DU89-32-941	NAR SEAT, SP EXIT SEAT CUSH, SHORT ARMREST O/B, FOLD. ARMREST I/B, SP URT 21.95"	RECARO AIRCRAFT SEATING DIVISION	QTY 1, BFE	QTY 1, BFE						

33	4360004-85-00-18	Water Boiler	COLLINS AEROSPACE	QTY 3, BFE N22010142AA284 0 N22010143AA284 1 N22020169AA286 7	QTY 3, BFE N24020175AA328 7 N24020176AA328 8 N24020177AA328 9	QTY 3, BFE N24020179AA329 0 N24020180AA329 1 N24020181AA329 2	QTY 3, BFE N24020238AA329 3 N24020239AA329 4 N24020240AA329 5	QTY 3, BFE N24020241AA329 6 N24020242AA329 7 N24020243AA329 8	QTY 3, BFE	QTY 3, BFE	QTY 3, BFE
34	51090414-1	EMERGENCY LOCATOR TRANSMITTER	DUKANE SEACOM INC	QTY 1, BFE Q2349	QTY 1, BFE Q2828						
35	622-5342-101	AMPLIFIER, ARINC 715	ROCKWELL COLLINS INC	QTY 1, BFE 4VR58X	QTY 1, BFE 4VRD67						
36	69002600-0101	MULTI-MODE RECEIVER (MMR) - IMMR	HONEYWELL	QTY 2, BFE IMMR-07193 IMMR-07220	QTY 2, BFE IMMR-07431 IMMR-07612						
37	69004750-001	SOLID STATE DIGITAL FLIGHT DATA RECORDER - HONEYWELL (2048 WORDS/90 DAY ULR)	HONEYWELL	QTY 1, BFE A28533-002	QTY 1, BFE A29044-003						
38	69004751-002	COCKPIT VOICE RECORDER - HONEYWELL (25 HR CAPACITY) (90 DAY ULR)	HONEYWELL	QTY 1, BFE A27229-003	QTY 1, BFE Not issued yet						
39	701-10300-00	ICS-300 SATELLITE DATA UNIT (SDU)	ROCKWELL COLLINS INC	QTY 1, BFE 4YRTNN	QTY 1, BFE 4YRVPN	QTY 1, BFE 4YT169					
40	701-10600-00	SDU CONFIGURATION MODULE (SCM)	ROCKWELL COLLINS INC	QTY 1, BFE 4T29NG	QTY 1, BFE 4V1023	QTY 1, BFE 4V102Y					
41	930-1000-002	WX RADAR PROCESSOR RP-1	HONEYWELL INTERNATIONAL INC	QTY 1, BFE RP09691	QTY 1, BFE RP09916						
42	930-2000-010	WXR TRANSMITTER/RECEIVE R	HONEYWELL INTERNATIONAL INC	QTY 1, BFE TR11543	QTY 1, BFE TR12384						
43	930-3000-001	WXR ANTENNA DRIVE	HONEYWELL INTERNATIONAL INC	QTY 1, BFE DA07462	QTY 1, BFE DA07702						
44	930-4301-001	WXR ANTENNA FLAT PLATE	HONEYWELL INTERNATIONAL INC	QTY 1, BFE FP07731	QTY 1, BFE FP07873						
45	930-5101-001	WEATHER RADAR CONTROL PANEL	HONEYWELL INCORPORATED	QTY 1, BFE 1144AA2766	QTY 1, BFE 1144AA2840						
46	940-0351-001	TRAFFIC ALERT AND COLLISION AVOIDANCE SYSTEM (TCAS) COMPUTER	HONEYWELL	QTY 1, BFE TPA26699	QTY 1, BFE TPA27421						
47	964-0465-001	AIRPLANE PERSONALITY MODULE (APM)	HONEYWELL	QTY 1, BFE APM 08305	QTY 1, BFE APM 08858						
48	965-0758-006	COMMUNICATIONS MANAGEMENT UNIT	HONEYWELL	QTY 1, BFE CMUUMK2-08864	QTY 1, BFE CMUUMK2-08860						
49	965-1696-021	VHF COMMUNICATIONS TRANSCIVER	HONEYWELL	QTY 3, BFE RTA50D-09074 RTA50D-09089 RTA50D-09090	QTY 3, BFE RTA50D-09568 RTA50D-09578 RTA50D-09631						
50	971-4193-001	DFDR Accelerometer	HONEYWELL INCORPORATED	QTY 1, BFE 20766	QTY 1, BFE 21016						
51	980-6116-001	Microphone/Monitor	HONEYWELL	QTY 1, BFE VRCPCAM-10885	QTY 1, BFE VRCPCAM-11230						
52	ACR/EM-1A	MEGAPHONE	ACR ELECTRONICS INC	QTY 2, BFE	QTY 3, BFE						
53	DLH1443-015	ICE DRAWER	SAFRAN	QTY 4, BFE	QTY 4, BFE						
54	DLH1950	ICE CONTAINER	SAFRAN	QTY 2, BFE	QTY 2, BFE						
55	DLH294	STANDARD CONTAINER	SAFRAN	QTY 25, BFE	QTY 25, BFE						
56	E/19-2500-88	EXTENSION ASSEMBLY	SCHROTH SAFETY PRODUCTS GMBH	QTY 15, BFE	QTY 15, BFE	QTY 15, BFE	QTY 15, BFE	QTY 15, BFE			
57	G7116-01	Control Panel, Emergency Locator Transmitter	GABLES ENGINEERING INC	QTY 1, BFE 80262	QTY 1, BFE 86012	QTY 1, BFE 86968					
58	G7402-04	ADF Control Panel - for single ADF	GABLES ENGINEERING INC	QTY 1, BFE 80181	QTY 1, BFE 86037	QTY 1, BFE 87219					
59	G7404-124	RADIO TUNING PANEL	GABLES ENGINEERING	QTY 3, BFE 80161 80162 81460	QTY 3, BFE 85306 85307 85308	QTY 3, BFE 86749 86750 86751					
60	G7501-01	737NG MULTI-MODE (ILS, GLS, MLS, VOR, DME) NAVIGATION CONTROL PANEL	GABLES	QTY 2, BFE 80042 80043	QTY 2, BFE 84951 84952	QTY 2, BFE 86345 86346					
61	GB03A1100000000	GALLEY 1	TURKISH CABIN INTERIORS TCI	QTY 1, BFE TCI- U000175782	QTY 1, BFE TCI- W000009303						
62	GB03A2200000000	GALLEY 4B	TURKISH CABIN INTERIORS TCI	QTY 1, BFE TCI- U000175784	QTY 1, BFE TCI- W000009377						
63	MC10-25-110	CREW OXYGEN MASK/REGULATOR	AVOX SYSTEMS INC	QTY 3, BFE B179545 B179772 B179777	QTY 3, BFE B194571 B194579 B194582						
64	MR-10022NAA	SMOKE HOOD (PBE)	ESSEX PB&R CORPORATION	QTY 1, BFE	QTY 1, BFE	QTY 1, BFE	QTY 1, BFE	QTY 1, BFE			
65	MR-10022NAA	SMOKE HOOD (PBE)	ESSEX PB&R CORPORATION	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE			
66	MXP210-00	Smoke Goggles, EROS, for use with MC10 series masks	AVOX SYSTEMS INC	QTY 3, BFE	QTY 3, BFE						
67	P01400-207W	LIFE VEST, UNIVERSAL	EASTERN AERO MARINE INC	QTY 214, BFE	QTY 214, BFE	QTY 214, BFE					
68	P01400-207W	LIFE VEST, UNIVERSAL	EASTERN AERO MARINE INC	QTY 3, BFE	QTY 3, BFE	QTY 3, BFE					
69	P01400-207WC	LIFE VEST, UNIVERSAL CREW	EASTERN AERO MARINE INC	QTY 3, BFE	QTY 3, BFE	QTY 3, BFE	QTY 3, BFE				
70	P01400-207WC	LIFE VEST, UNIVERSAL CREW	EASTERN AERO MARINE INC	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE				
71	P01400-207WD	LIFE VEST, DEMO	EASTERN AERO MARINE INC	QTY 3, BFE	QTY 3, BFE	QTY 3, BFE					

72	P2-07-0015-003	LED FLASHLIGHT AND BRACKET	DME CORPORATION	QTY 2, BFE	QTY 2, BFE	QTY 2, BFE	QTY 2, BFE	QTY 2, BFE	QTY 2, BFE		
73	P2-07-0015-003	LED FLASHLIGHT AND BRACKET	DME CORPORATION	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE	QTY 5, BFE		
74	RD-AX7370-01	WALL MOUNT PRAM	PANASONIC	QTY 1, BFE J776426	QTY 1, BFE J792834	QTY 1, BFE J913336	QTY 1, BFE J924557	QTY 1, BFE J924558			
75	SL3924AA01	SELCAL DECODER	TEAM INC	QTY 1, BFE 2719	QTY 1, BFE 2761	QTY 1, BFE 2771	QTY 1, BFE 2774				
76	TH500001	Half Size Waste Cart	SAFRAN	QTY 2, BFE 22153239 22153240	QTY 2, BFE 23192056 23192057						
77	TK500001	Full Size Cart	SAFRAN	QTY 4, BFE 22153263 22153264 22153265 22153266	QTY 4, BFE 23192049 23192050 23192051 23192052						
78	TL500001	Half Size Cart	SAFRAN	QTY 3, BFE 22153298 22153299 22153300	QTY 3, BFE 23192053 23192054 23192055						
79	WB500001	Waste Bin	SAFRAN	QTY 2, BFE	QTY 2, BFE						

This is **Exhibit "F"** to the Affidavit of Michael Woodward  
sworn before me this 13<sup>th</sup> day of May 2024.



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Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Treleaven**  
Barister & Solicitor



ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made as of the 10th day of May, 2024,

BETWEEN:

1263343 ALBERTA INC. (d/b/a LYNX AIR), a corporation existing under the laws of the Province of Alberta (the "Vendor")

- and -

AERO3 INC., a corporation existing under the laws of the state of Delaware (the "Purchaser")

WHEREAS:

- A. On February 22, 2024, the Vendor was granted protection under the *Companies' Creditors Arrangement Act* (Canada) pursuant to an initial order granted by the Court of King's Bench of Alberta (the "Court") in proceedings bearing Court File No. 2401-02664 (as amended and restated on March 1, 2024, the "Initial Order"), pursuant to which, FTI Consulting Canada Inc. was appointed as the monitor of the Vendor (in such capacity, the "Monitor") (collectively, the "CCAA Proceedings").
- B. In connection with the CCAA Proceedings, pursuant to an order of the Court dated March 1, 2024, the Vendor and the Monitor were given approval to implement a Sale and Investment Solicitation Process (the "SISP") to sell some or all of the assets of Vendor.
- C. In accordance with the foregoing, the Vendor desires to sell the Purchased Assets to the Purchaser and the Purchaser desires to purchase the Purchased Assets from the Vendor, subject to and in accordance with the terms of this Agreement.

NOW THEREFORE, in consideration of the respective covenants, agreements, representations, warranties and indemnities of the Parties set out in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party, the Parties agree as follows:

ARTICLE 1  
INTERPRETATION

1.1 Defined Terms

Whenever used in this Agreement, unless the context otherwise requires, the following words and terms shall have the indicated meanings and grammatical variations of such words and terms shall have corresponding meanings:

- (a) "Affiliate" means of any person means, at the time such determination is being made, any other person controlling, controlled by or under common control with such first person, and "control" means the possession, directly or indirectly, of the power to direct, or cause the direction of, the management policies of a person, whether through the ownership of voting securities, by contract or credit arrangement, as trustee or executor, or otherwise;

- (b) “**Agreement**” means this asset purchase agreement, including its recitals and schedules, as amended, supplemented or restated in writing from time to time;
- (c) “**Approval Order**” means an order to be granted by the Court which authorizes, approves and confirms this Agreement and the sale of the Purchased Assets by Vendor to Purchaser in accordance with the terms and conditions contained herein, and vests beneficial title to the Purchased Assets in Purchaser free and clear of all Encumbrances to the extent and as provided for in such approval order;
- (d) “**ATA106 Form**” means a Part or Material Certification Form pursuant to Air Transport Association Specification 106;
- (e) “**Books and Records**” means all of the Vendor’s books and records related to or used or held for use in connection with the Purchased Assets, including: (a) quality control records and procedures; (b) written engineering standards and specifications; and (c) all other documents, files, correspondence and other information relating to the Purchased Assets whether written, printed or electronically stored;
- (f) “**Business Day**” means any day, other than a Saturday, Sunday or a statutory holiday, on which the principal commercial banks in Calgary, Alberta are open for commercial banking business during normal banking hours;
- (g) “**CCAA Proceedings**” has the meaning ascribed thereto in the recitals to this Agreement;
- (h) “**Closing**” has meaning ascribed thereto in Section 7.1;
- (i) “**Closing Date**” means a date no later than four (4) Business Days after the conditions set forth in Article 6 have been satisfied or waived by the applicable Party, or such other date as agreed to by the Parties in writing;
- (j) “**Closing Time**” means 10:00 a.m. (Calgary time) on the Closing Date or such other time as the Parties may agree upon in writing;
- (k) “**Contracts**” means contracts, licences, leases, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements or engagements to which the Vendor is a party or by which the Vendor is bound or under which the Vendor has, or will have, any liability or contingent liability (in each case, whether written or oral, express or implied), and includes any quotations, orders, proposals or tenders which remain open for acceptance and warranties and guarantees;
- (l) “**Court**” has the meaning ascribed thereto in the recitals to this Agreement;
- (m) “**Encumbrance**” means pledges, liens, charges, security interests, leases, title retention agreements, mortgages, options, adverse claims or encumbrances of any kind or character whatsoever;
- (n) “**ETA**” means the *Excise Tax Act*, R.S.C. 1985 c E-15;



- (o) **“Excluded Asset”** has the meaning scribed thereto in Section 3.6(a);
- (p) **“Governmental Authority”** means any:
  - (i) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal or arbitral body, domestic or foreign;
  - (ii) subdivision, agent or agency, commission, board, bureau or authority of any of the foregoing; or
  - (iii) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;
- (q) **“Governmental Charges”** means all taxes, including Sales Tax, customs duties, rates, levies, assessments, reassessments and other charges, together with all penalties, interest and fines with respect thereto, payable to any Governmental Authority;
- (r) **“GST”** means all goods and services or harmonized sales tax imposed under the provisions of Part IX of ETA, or any successor or parallel provincial or federal legislation that imposes a tax on the recipient of goods or services;
- (s) **“Initial Order”** has the meaning ascribed thereto in the recitals to this Agreement;
- (t) **“Interim Financing Consent”** has the meaning ascribed thereto in Section 6.1(b);
- (u) **“Interim Financing Term Sheet”** means the interim financing term sheet dated February 21, 2024 between the Vendor and the Interim Lender, as such term sheet may be amended, supplemented, or otherwise modified from time to time;
- (v) **“Interim Lender”** means, pursuant to the Initial Order, Indigo Northern Ventures LP;
- (w) **“Laws”** means any and all applicable domestic or foreign:
  - (i) laws, constitutions, treaties, statutes, codes, ordinances, decrees, rules, regulations, and by-laws;
  - (ii) judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, Orders, injunctions, decisions, rulings, awards; and
  - (iii) to the extent they have the force of law, all policies, writs, Orders, guidelines, and directives of any Governmental Authority and general principles of common and civil law and equity, binding on or affecting the person referred to in the context in which the word is used;
- (x) **“Liabilities”** means means any and all debts, liabilities, penalties, fines, demands or other losses, costs or expenses of any kind, whether fixed, contingent or absolute,



matured or unmatured, liquidated or unliquidated, accrued or not accrued, disputed or undisputed;

- (y) “**Losses**” means all judgments, damages or Liabilities, contingent or otherwise, including loss of value, professional fees, including fees and disbursements of legal counsel on a full indemnity basis, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing;
- (z) “**Monitor**” has the meaning ascribed thereto in the recitals to this Agreement;
- (aa) “**Order**” means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority;
- (bb) “**Outside Date**” means May 31, 2024, or such other date as agreed to by the Parties in writing;
- (cc) “**Parties**” means the Vendor and the Purchaser, and “**Party**” means any of them;
- (dd) “**person**” includes any individual, corporation, limited liability company, unlimited liability company, body corporate, partnership, limited partnership, limited liability partnership, firm, joint venture, syndicate, association, capital venture fund, private equity fund, trust, trustee, executor, administrator, legal personal representative, estate, government, Governmental Authority and any other form of entity or organization, whether or not having legal status;
- (ee) “**Purchase Price**” has the meaning ascribed thereto in Section 3.1;
- (ff) “**Purchased Assets**” means:
  - (i) Inventory: the existing inventory of Boeing 737-MAX aircraft Collins and Safran wheels and brakes as more particularly described in Schedule “A”; and
  - (ii) Books and Records: all Books and Records.
- (gg) “**Representatives**” means, with respect to any person, any director, officer or employee of such person and any agent, consultant, legal, accounting, financial or other advisor or other representative authorized by such person to represent or act on behalf of such person;
- (hh) “**Sales Taxes**” has the meaning ascribed thereto in Section 3.4;
- (ii) “**SISP**” has the meaning ascribed thereto in the recitals to this Agreement; and
- (jj) “**Tax Act**” means the *Income Tax Act* (Canada), RSC 1985, c 1 (5th Supp).

## 1.2 Currency

Unless otherwise stated, all dollar amounts referenced in this Agreement are expressed in lawful currency of the United States of America.

**1.3 Sections and Headings**

The division of this Agreement into Articles, Sections and Subsections and the insertion of headings are for convenience of reference only and shall not affect the interpretation of this Agreement. Unless otherwise indicated, any reference in this Agreement to an Article, Section, Subsection or Schedule refers to the specified Article, Section or Subsection of, or Schedule to, this Agreement.

**1.4 Extended Meanings**

For the purposes of this Agreement:

- (a) the terms “hereof”, “hereunder”, “hereto” and similar expressions refer to this Agreement and not to any particular Article, Section, Subsection, Schedule or other portion of this Agreement and include any agreement supplemental hereto;
- (b) words importing the singular number only shall include the plural and *vice versa*, words importing gender shall include all genders; and
- (c) the words “includes” and “including” and similar terms of inclusion will not, unless expressly modified by the words “only” or “solely”, be construed as terms of limitation, but rather will mean “includes but is not limited to” and “including but not limited to”, so that references to included matters will be regarded as illustrative without being either characterizing or exhaustive.

**1.5 Interpretation Not Affected By Party Drafting**

The Parties acknowledge that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and the Parties agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party shall not be applicable in the interpretation of this Agreement.

**1.6 Schedule**

The following Schedules are attached to and form part of this Agreement:

<u>Schedule</u>	<u>Description</u>
Schedule “A”	Inventory
Schedule “B”	Wire Instructions
Schedule “C”	Purchase Price Allocation
Schedule “D”	Form of Bill of Sale

**ARTICLE 2  
PURCHASE AND SALE**

**2.1 Purchase and Sale**

Subject to the terms of this Agreement, the Vendor hereby sells, assigns, transfers and conveys to the Purchaser, and the Purchaser hereby purchases and acquires from the Vendor, effective as of the Closing Date, all of the right, title and interest of the Vendor in and to the Purchased Assets,

free and clear of all Encumbrances. A bill of sale for the Purchased Assets will be delivered at Closing in accordance with Section 7.3(a)(iii) and 7.3(b)(i).

### **ARTICLE 3 PURCHASE PRICE**

#### **3.1 Purchase Price**

The purchase price for the Purchased Assets shall be equal to the aggregate amount of [REDACTED] the "Purchase Price").

#### **3.2 Payment of Purchase Price**

On or prior to the Closing Date, the Purchase Price shall be paid by the Purchaser to the Vendor by way of wire transfer to the account designated by the Vendor and attached hereto as Schedule "B".

#### **3.3 Excluded Liabilities**

The Purchaser shall not assume, and shall not be liable for, any liabilities of the Vendor of any kind or nature whatsoever, whether present or future, absolute or contingent, known or unknown, all of which shall be retained by the Vendor, including, for greater certainty, any and all Governmental Charges arising out of or relating to the Vendor's ownership or operation of the Purchased Assets prior to Closing.

#### **3.4 Sales Taxes**

The Purchase Price is exclusive of all applicable GST, sales, transfer, conveyance, value added, or similar taxes (collectively, the "Sales Taxes"), and the Purchaser shall be liable for all applicable Sales Taxes in respect of the purchase and sale of the Purchased Assets hereunder.

#### **3.5 Allocation of Purchase Price**

The Purchase Price shall be allocated among the Purchased Assets in accordance with the provisions of Schedule "C". Each of the Vendor and the Purchaser shall report the purchase and sale of the Purchased Assets in any tax returns in accordance with the allocations provided in accordance with this Section 3.5.

#### **3.6 Purchase Price Adjustment**

- (a) Following inspection or testing of any Purchased Asset in accordance with Section 9.1 of this Agreement but prior to the Approval Order being granted, if the Purchaser determines any such Purchased Asset to be unfit to be purchased such that the Purchaser no longer wishes to purchase such Purchased Asset (an "Excluded Asset"), Purchaser shall provide written notice to the Vendor of such fact. For greater certainty, an Excluded Asset must be a Purchased Asset not already in the possession or control of the Purchaser, being those assets specified as such in Schedule "A".
- (b) To the extent that prior to Closing, the Vendor is notified that a Purchased Asset is an Excluded Asset, the aggregate Purchase Price shall be reduced by the individual



unit price of such Excluded Asset as set forth in Schedule "B" and Vendor will not be required to deliver such Excluded Asset to Purchaser.

- (c) Upon the Purchaser's determination of a Purchased Asset to be an Excluded Asset, such Excluded Asset shall be returned to its location prior to delivery to the Purchaser in accordance with Section 9.1(b) at the Purchaser's sole risk and expense.

**ARTICLE 4  
REPRESENTATIONS AND WARRANTIES  
OF THE VENDOR**

The Vendor represents and warrants to the Purchaser as follows and the Vendor acknowledges that the Purchaser is relying on such representations and warranties in connection with the execution and delivery of this Agreement and its purchase of the Purchased Assets.

**4.1 Organization and Capacity**

The Vendor is a corporation duly incorporated, validly existing and in good standing (if applicable) under the laws of its jurisdiction of incorporation. The Vendor has the corporate power and capacity to own and lease its assets and property, to carry on its business as now conducted by it and to enter into this Agreement and perform its obligations hereunder.

**4.2 Due Authorization and Enforceability of Obligations**

- (a) Subject to the Vendor obtaining the Approval Order, the Vendor has all necessary corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement.
- (b) The execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of the Vendor.
- (c) This Agreement constitutes a valid and binding obligation of the Vendor enforceable against it in accordance with its terms subject, in each case, to bankruptcy, insolvency, reorganization or other Laws affecting the enforcement of the rights of creditors.

**4.3 Absence of Conflicts**

Other than the CCAA Proceedings and the Interim Financing Term Sheet, the Vendor is not a party to, bound or affected by or subject to any:

- (a) Contract;
- (b) charter or by-law; or
- (a) Laws or Governmental Authorizations,

that would be violated, breached by, or under which default would occur or an Encumbrance would be created as a result of the execution and delivery of, or the performance of obligations under,



this Agreement or any other agreement to be entered into under the terms of this Agreement. There has been no sale, assignment, subletting, licensing or granting of any rights in or other disposition of or in respect of any of the Purchased Assets or any part thereof or any granting of any agreement or right capable of becoming an agreement or option for the purchase, assignment, subletting, licensing or granting of any rights in or other disposition of any of the Purchased Assets or any part thereof other than pursuant to the provisions of, or as disclosed in, this Agreement.

#### **4.4 Title to Assets**

The Vendor is the sole legal and beneficial owner and, where its interest is registrable, the sole registered owner, of the Purchased Assets with good and marketable title, free and clear of any and all Encumbrances, and is exclusively entitled to possess and dispose of same.

#### **4.5 Approvals**

Other than the Approval Order, no approval, Order, consent of or filing with any Governmental Authority or any other person is required on the part of the Vendor in connection with the execution, delivery and performance of this Agreement or any other documents or agreements to be executed pursuant to this Agreement or the performance of the Vendor's obligations hereunder or thereunder.

#### **4.6 Residency**

The Vendor is a resident of Canada for the purposes of the Tax Act.

#### **4.7 GST Registration**

The Vendor is registered for purposes of the ETA and its GST registration number is 840541767 RT0001.

### **ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

The Purchaser represents and warrants to the Vendor as follows and the Purchaser acknowledges that the Vendor is relying on such representations and warranties in connection with the execution and delivery of this Agreement and its sale of the Purchased Assets.

#### **5.1 Status of the Purchaser**

The Purchaser is a corporation duly incorporated, validly existing and in good standing (if applicable) under the laws of its jurisdiction of incorporation.

#### **5.2 Due Authorization and Enforceability of Obligations**

- (a) The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement.
- (b) The execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action of the Purchaser.



- (c) This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against it in accordance with its terms.

### **5.3 No Violation**

The Purchaser is not a party to, bound or affected by or subject to any:

- (a) indenture, mortgage, lease, agreement, obligation or instrument;
- (b) charter or by-law; or
- (c) Laws or Governmental Authorizations;

that would be violated, breached by, or under which default would occur or an Encumbrance would be created as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any other agreement to be entered into under the terms of this Agreement.

### **5.4 Contractual Consents and Governmental Approvals**

The Purchaser is not required to obtain any consent or approval from, or to give notice to, a third party, or is required to obtain any permits, authorizations, or to give notice to a Governmental Authority, in connection with, or as a condition to, the lawful completion of the transaction contemplated by this Agreement.

### **5.5 GST Registration**

The Purchaser is registered for purposes of the ETA and its GST registration number is 8082866520RT001. It is the intent of the Purchaser to purchase the assets through Aero 3 Inc., a Delaware corporation and ship all the assets to a USA destination.

## **ARTICLE 6 CONDITIONS OF CLOSING**

### **6.1 Conditions for the Benefit of the Purchaser and the Vendor**

The respective obligations of the Purchaser and of the Vendor to consummate the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, on or prior to the Closing Date, each of the following conditions:

- (a) the Approval Order and, where required, any other Order required to consummate the transactions contemplated by this Agreement pursuant to the CCAA Proceedings shall have been issued and entered and such Orders shall not have been reversed, modified, amended or stayed;
- (b) the Vendor has obtained the consent of the Interim Lender to the sale of the Purchased Assets and the transactions contemplated by this Agreement as required pursuant to the Interim Financing Term Sheet (the "Interim Financing Consent"); and

- (c) no provision of any applicable Law and no judgment, injunction, Order or decree that prohibits the consummation of the purchase of the Purchased Assets or any of the other transactions pursuant to this Agreement shall be in effect.

Unless otherwise agreed to by the Parties, if the conditions contained in this Section 6.1 have not been performed or satisfied on or before the Outside Date, this Agreement and the obligations of Vendor and Purchaser under this Agreement shall automatically terminate without any further action on the part of either Vendor or Purchaser.

## **6.2 Conditions for the Benefit of the Purchaser**

The obligation of the Purchaser to consummate the transactions contemplated by this Agreement is subject to the satisfaction of, or compliance with, or waiver by the Purchaser of, on or prior to the Closing Date, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Purchaser):

- (a) the representations and warranties of Vendor herein contained shall be true in all material respects when made and as of the Closing Date;
- (b) all obligations of Vendor contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects; and
- (c) each of the deliveries required to be made to the Purchaser pursuant to Section 7.3(a) shall have been so delivered.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Purchaser, at or before the Closing Date, Purchaser may terminate this Agreement by written notice to Vendor. If Purchaser terminates this Agreement, Vendor and Purchaser shall be released and discharged from all obligations hereunder except as provided in Section 11.2.

## **6.3 Conditions for the Benefit of the Vendor**

The obligation of the Vendor to consummate the transactions contemplated by this Agreement is subject to the satisfaction of, or compliance with, or waiver where applicable by the Vendor of, on or prior to the Closing Date, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Vendor):

- (a) the representations and warranties of Purchaser herein contained shall be true in all material respects when made and as of the Closing Date;
- (b) all obligations of Purchaser contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects;
- (c) each of the deliveries required to be made to the Vendor pursuant to Section 7.3(b) shall have been so delivered; and
- (d) all amounts to be paid by Purchaser at Closing, including, without limitation, the Purchase Price, shall have been so paid in the form and manner stipulated in this Agreement.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Vendor, at or before the Closing Date, Vendor may terminate this Agreement by written notice to Purchaser. If Vendor terminates this Agreement, Vendor and Purchaser shall be released and discharged from all obligations hereunder except as provided in Section 11.2.

## ARTICLE 7 CLOSING MATTERS AND DELIVERABLES

### 7.1 Closing

The closing of the transactions contemplated in this Agreement (the "Closing") will take place on the Closing Date remotely via the exchange of documents and signatures, unless another time, date or manner is agreed to in writing by the Vendor and the Purchaser. The Closing shall be deemed effective as of the Closing Time.

### 7.2 Transfer

The transfer of ownership and possession and risk of loss of the Purchased Assets contemplated hereby to the Purchaser shall take effect as at the Closing Time, and from and after the Closing Time, Purchaser shall be solely responsible and liable for all obligations, costs and expenses associated with storage, freight or delivery of any of the Purchased Assets.

### 7.3 Closing Deliveries

- (a) On or before Closing, the Vendor shall deliver to the Purchaser the following:
  - (i) a filed copy of the Approval Order;
  - (ii) evidence of the Interim Financing Consent;
  - (iii) the bill of sale in the form attached as Schedule "D", duly executed by Vendor;
  - (iv) a receipt for the Purchase Price, duly executed by the Vendor; and
  - (v) such further and other documents and assurances as the Purchaser may reasonably require to be delivered by or on behalf of the Vendor to complete the transactions contemplated hereby.
  
- (b) On or before Closing, the Purchaser shall deliver to the Vendor the following:
  - (i) the bill of sale in the form attached as Schedule "D", duly executed by Purchaser;
  - (ii) Payment of the Purchase Price; and
  - (iii) such further and other documents and assurances as the Vendor may reasonably require to be delivered by or on behalf of the Purchaser to complete the transactions contemplated hereby.

**ARTICLE 8  
AS-IS, WHERE IS BASIS**

**8.1 Independent Verification**

The Purchaser hereby acknowledges and agrees that it has conducted to its satisfaction an independent investigation and verification of the Purchased Assets (including the state of title thereto and/or the state of any Encumbrances), and, based solely thereon, has determined to proceed with the transactions contemplated by this Agreement. The Purchaser has relied solely on the results of its own independent investigation and verification, and the representations and warranties of the Vendor expressly and specifically set forth in Article 4, and the Purchaser understands, acknowledges and agrees that all other representations, warranties and statements of any kind or nature, expressed or implied (including any relating to the quality, quantity or condition of the Purchased Assets) are specifically disclaimed by the Vendor. Except for the representations and warranties of the Vendor expressly and specifically set forth in Article 4, the Vendor does not make or provide any warranty or representation, express or implied, as to the quality, merchantability, fitness for a particular purpose, conformity to samples or condition of the Purchased Assets, or any part thereof. THE PURCHASER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF THE VENDOR EXPRESSLY AND SPECIFICALLY SET FORTH IN Article 4: (A) THE PURCHASER IS ACQUIRING THE PURCHASED ASSETS ON AN "AS IS, WHERE IS" BASIS; AND (B) NEITHER THE VENDOR, NOR ANY OTHER PERSON (INCLUDING ANY REPRESENTATIVE OF THE VENDOR, WHETHER IN ANY INDIVIDUAL, CORPORATE OR ANY OTHER CAPACITY) IS MAKING, AND THE PURCHASER IS NOT RELYING ON, ANY REPRESENTATIONS, WARRANTIES OR OTHER STATEMENTS OF ANY KIND WHATSOEVER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AS TO ANY MATTER CONCERNING THE PURCHASER, THE PURCHASED ASSETS, THIS AGREEMENT OR THE TRANSACTIONS, OR THE ACCURACY OR COMPLETENESS OF ANY INFORMATION PROVIDED TO (OR OTHERWISE ACQUIRED BY) THE PURCHASER OR ANY OF ITS RESPECTIVE REPRESENTATIVES; AND WITHOUT LIMITING THE FOREGOING, ANY AND ALL CONDITIONS OR WARRANTIES EXPRESSED OR IMPLIED PURSUANT TO THE SALE OF GOODS ACT (ALBERTA) AND ANY OTHER APPLICABLE SALE OF GOODS LEGISLATION, WILL NOT APPLY AND ARE HEREBY WAIVED BY THE VENDOR AND THAT THE PURCHASER IS PURCHASING THE PURCHASED ASSETS AT ITS OWN RISK AND ANY AND ALL CONDITIONS, WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, PURSUANT TO ANY APPLICABLE LAW IN ANY JURISDICTION, WHICH THE PURCHASER CONFIRMS DO NOT APPLY TO THIS AGREEMENT, AND ARE HEREBY WAIVED IN THEIR ENTIRETY BY THE BUYER. THE DISCLAIMER IN THIS SECTION 8.1 IS MADE NOTWITHSTANDING THE DELIVERY OR DISCLOSURE TO THE PURCHASER OR ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR REPRESENTATIVES OF ANY DOCUMENTATION OR OTHER INFORMATION (INCLUDING ANY INFORMATION, DUE DILIGENCE MATERIALS OR OTHER SUPPLEMENTAL DATA NOT INCLUDED IN THIS AGREEMENT).

**8.2 Due Diligence**

Purchaser acknowledges that it has, prior to the execution hereof, been given sufficient opportunity to:

- (a) review the Vendor's right, title and interest in and to the Purchased Assets; and
- (b) conduct independent due diligence with all matters related to this Agreement and the transactions contemplated hereunder.

## **ARTICLE 9 ACCESS TO PURCHASED ASSETS**

### **9.1 Inspections**

- (a) Prior to the Approval Order being granted, Vendor shall provide reasonable access to the Purchaser and its Representatives to any of the Purchased Assets not already in the possession or control of the Purchaser, being those assets specified as such in Schedule "A", to conduct any reasonable inspections or tests of such Purchased Assets as may reasonably be required in accordance with generally accepted industry practices and in compliance with all applicable Laws.
- (b) In the event that any of the Purchased Assets must be delivered to the Purchaser in connection with such inspections or tests as set forth in Section 9.1(a), such delivery (and any subsequent return, including such return in connection with Section 3.6(c)) of such Purchased Assets shall be at the Purchaser's sole risk and expense.
- (c) Purchaser shall indemnify and save harmless the Vendor and its Representatives against any and all Losses whatsoever arising from the inspection, testing, delivery or return, as applicable, of any such Purchased Assets pursuant to this Section 9.1, insofar as such Losses are not a direct result of the gross negligence or wilful misconduct of the Vendor or its Representatives. An action or omission of Vendor or of its Representatives shall not be regarded as gross negligence or wilful misconduct to the extent to which it was done or omitted from being done in accordance with Purchaser's instructions or concurrence.

## **ARTICLE 10 COVENANTS**

### **10.1 Covenants to Closing**

- (a) During the period from the date of this Agreement until the Closing Date, and subject to the terms and conditions of this Agreement, each of the Vendor and the Purchaser shall use commercially reasonable efforts to take or cause to be taken all actions and to do or cause to be done all things necessary under the terms of this Agreement or applicable Laws to cause the satisfaction of the conditions set forth in Article and to consummate the transactions contemplated herein.
- (b) During the period from the date of this Agreement until the Closing Date, Vendor shall use commercially reasonable efforts to assist the Purchaser with producing or providing any documentation reasonably required to evidence traceability of the applicable Purchased Assets to the Vendor, including for certainty, any ATA106 Forms that may reasonably be required.



**ARTICLE 11  
MISCELLANEOUS**

**11.1 Notices**

(a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by courier or by registered mail, charges prepaid, addressed as follows:

(i) if to the Vendor:

Lynx Air  
3215 – 12 Street NE  
Calgary, Alberta T2E 7S9

Attention: Mike Woodward  
Email: [Mike.Woodward@lynxair.com](mailto:Mike.Woodward@lynxair.com)

with a copy (which shall not constitute notice) to:

Osler, Hoskin & Harcourt LLP  
Suite 2700, Brookfield Place  
225 – 6<sup>th</sup> Avenue S.W.  
Calgary, AB T2P 1N2

Attention: Randal Van de Mosselaer & Justin Sherman  
Email: [rvandemosselaer@osler.com](mailto:rvandemosselaer@osler.com) / [jsherman@osler.com](mailto:jsherman@osler.com)

(ii) if to the Purchaser:

Aero3 Inc.  
14 Tinker Avenue  
Manchester, NH 03053

Attention: Brian Dubreuil  
Email: [bdubreuil@aero3inc.com](mailto:bdubreuil@aero3inc.com)

with a copy (which shall not constitute notice) to:

Benesch, Friedlander, Coplan & Aronoff  
127 Public Square, Suite 4900  
Cleveland, OH 44114

Attention: Mitchell Gecht  
Email: [mgecht@beneschlaw.com](mailto:mgecht@beneschlaw.com)

(b) Any such notice or other communication shall be deemed to have been given and received on the day on which it is delivered or transmitted (or, if such day is not a Business Day, on the next following Business Day) or, if couriered, on the date of delivery as confirmed by the applicable courier, or if mailed, on the seventh



Business Day following the date of mailing; provided, however, that if at the time of mailing or within seven Business Days thereafter there is or occurs a labour dispute or other event that might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered by courier or transmitted by means of recorded electronic communication as aforesaid.

- (c) Any Party may at any time change its address for service from time to time by giving notice to the other Parties in accordance with this Section 11.1.

## 11.2 Confidentiality

From and after the date of this Agreement, each of the Vendor and the Purchaser shall, and shall cause each of their Affiliates and each of its and their Affiliates' Representatives to, keep confidential this Agreement and all information disclosed to it in connection with the transactions contemplated hereby, by or on behalf of the other Party and relating to the other Party, except information that:

- (a) is part of the public domain as of the date of this Agreement;
- (b) becomes part of the public domain on or after the date of this Agreement other than as a result of breach of this Section 11.2;
- (c) can be demonstrated to have been known or available to such person before receipt of such information from the other Party or independently developed by such person;
- (d) was received in good faith from an independent third party, who was lawfully in possession of such information free of any obligation of confidentiality; or
- (e) such person or any of its Affiliates is required to disclose pursuant to applicable Law or court proceedings, including without limitation, in connection with obtaining the Approval Order or the CCAA Proceedings.

## 11.3 Survival

None of the representations, warranties, covenants (except to the extent they are to be performed after the Closing) of any of the Parties set forth in this Agreement or in any other agreement, document or certificate delivered pursuant to or in connection with this Agreement or the transactions contemplated hereby shall survive the Closing.

## 11.4 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by the Parties and their respective successors and permitted assigns. No Party may assign any of it or his rights or obligations hereunder without the prior written consent of the other Parties.

## 11.5 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination shall not impair or affect the validity,



legality or enforceability of the remaining provisions hereof, and each provision is hereby declared to be separate, severable and distinct.

#### **11.6 Amendments and Waivers**

No amendment or waiver of any provision of this Agreement shall be binding on any Party unless consented to in writing by such Party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver constitute a continuing waiver unless otherwise expressly provided.

#### **11.7 Further Assurances**

From time to time subsequent to the Closing Date, each Party shall promptly execute and deliver all such documents, including all such further bills of sale, assignments, conveyances, transfers, consents and other assurances, and do all such further acts and things, as any other Party may reasonably request in order to effectively carry out or perform or better evidence the full intent and meaning of this Agreement.

#### **11.8 Costs and Expenses**

Each of the Parties shall be responsible for, and shall pay, their respective legal and accounting costs and expenses incurred in connection with the preparation, execution and delivery of this Agreement and all documents executed pursuant hereto and any other costs and expenses in connection with the transactions contemplated hereby.

#### **11.9 Governing Law and Attornment**

This Agreement, and each of the documents contemplated by or delivered under or in connection with this Agreement, shall be governed by and construed in accordance with the laws of the Province of Alberta, without reference to conflict of laws rules. The Parties agree that the courts of the Province of Alberta will have exclusive jurisdiction to determine all disputes arising between the Parties (or any of them) in respect of this Agreement and the matters contemplated hereby and each of the Parties hereby irrevocably attorns to the jurisdiction of such courts.

#### **11.10 Counterparts**

This Agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. Execution of this Agreement may be made by facsimile signature or by any other electronic form which, for all purposes, shall be deemed to be an original signature.

*[Remainder of page intentionally left blank. Signature page follows.]*





IN WITNESS WHEREOF this Agreement has been executed by the Parties as of the date first above written.

**1263343 ALBERTA INC.**

By: \_\_\_\_\_

Name:

Title:

**AERO3 INC.**

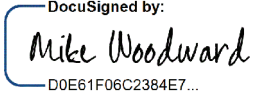
By:  \_\_\_\_\_

Name: **PAUL SEVERIN**

Title: **EXECUTIVE V-P.**

IN WITNESS WHEREOF this Agreement has been executed by the Parties as of the date first above written.

**1263343 ALBERTA INC.**

By:   
Name: Mike Woodward  
Title: Interim CFO

**AERO3 INC.**

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE "A"**  
**Inventory**

<u>Unit Description</u>	<u>Part Number</u>	<u>Serial Number</u>	<u>Condition</u>	<u>Purchaser Possession</u>
Main Wheels w/Tires	3-1674	D5567/D5567	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D7633/D7633	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D5540/D5540	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D2378/D2378	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D8504/D8504	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D8503/D8503	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D7635/D7635	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D6952/D6952	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D5543/D5543	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D5575/D5575	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D5542/D5542	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D7228/D7228	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D1202/D1202	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D7196/D7196	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D7229/D7229	As Removed / Serviceable	No
Main Wheels w/Tires	3-1674	D5547/D5547	As Removed / Serviceable	No
Main Wheels w/Tires	3-1674	D7841/D7841	As Removed / Serviceable	No
Main Wheels w/Tires	3-1674	D5566/D5566	As Removed / Serviceable	No
Main Wheels w/Tires	3-1674	D5553/D5553	As Removed / Serviceable	No
Main Wheels w/Tires	3-1674	D6923/D6923	As Removed / Serviceable	No
Main Wheels w/Tires	3-1674	D5539/D5539	As Removed / Serviceable	No
Main Wheels w/Tires	3-1674	D5546/D5546	As Removed / Serviceable	No
Nose Wheels w/Tires	3-1559	D2533/D2533	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D2702/D2702	As Removed / Serviceable	Yes

Nose Wheels w/Tires	3-1559	D1086/D1086	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D2534/D2534	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1095/D1095	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1697/D1697	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D2698/D2698	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1604/D1604	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D0855/D0855	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D0553/D0853	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1089/D1089	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D0860/D0860	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1099/D1099	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D2129/D2129	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D2344/D2344	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1101/D1101	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1092/D1092	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1624/D1627	As Removed / Serviceable	No
Nose Wheels w/Tires	3-1559	D1937/D1937	As Removed / Serviceable	No
Nose Wheels w/Tires	3-1559	D0856/D0856	As Removed / Serviceable	No
Nose Wheels w/Tires	3-1559	D0854/D0854	As Removed / Serviceable	No
Nose Wheels w/Tires	3-1559	D2489/D2489	As Removed / Serviceable	No
Brake Assemblies	2-1740-1	D3680	New/Serviceable	Yes
Brake Assemblies	2-1740-1	D4189	New/Serviceable	Yes
Brake Assemblies	2-1740-1	D5351	New/Serviceable	Yes
Brake Assemblies	2-1740-1	D6048	New/Serviceable	Yes
Brake Assemblies	2-1740-1	D5349	New/Serviceable	Yes
Brake Assemblies	2-1740-1	D4261	New/Serviceable	Yes
Brake Assemblies	2-1740-1	D5353	New/Serviceable	Yes

Brake Assemblies	2-1740-1	D4348	New/Serviceable	Yes
Brake Assemblies	2-1740-1	D4266	Unserviceable	No
Main Wheel Assembly	C20626200	W098C20626	New	No
Main Wheel Assembly	C20626200	W071C20625	New	No



**SCHEDULE "B"**  
**Wire Instructions**

(See attached.)



## Lynx Air USD Currency Payment Instruction

### COMPANY INFORMATION

**Name/Beneficiary:** 1263343 Alberta Inc.

**Address:** 3215 12th Street NE, Calgary Alberta, T2E 7S9

**Contact:** Mike Woodward

**Email:** mike.woodward@lynxair.com

**Telephone:** 1 (403) 278-7705

### BANKING INFORMATION

#### USD Wires to Lynx Air through ATB Financial:

##### Step 1:

- Send as a Domestic wire to Bank of America:

- [Redacted]
- [Redacted]
- [Redacted]

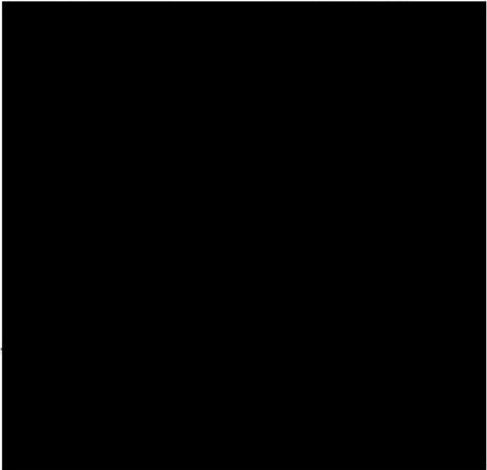
##### Step 2:

- Bank of America N.A. New York will receive the wire, then redirect to ATB Financial
- Final Beneficiary

- [Redacted]
- [Redacted]
- [Redacted]

[Redacted]

**SCHEDULE "C"**  
**Purchase Price Allocation**

<u>Unit Description</u>	<u>Part Number</u>	<u>Quantity</u>	<u>Total Price (USD)</u>	<u>Unit Price (USD)</u>
Main Wheels w/ Tires	3-1674	22		
Main Wheels w/ Tires	3-1559	22		
Brake Assemblies	2-1740-1	4		
Brake Assemblies	2-1740-1	4		
Brake Assemblies	2-1740-1	1		
Main Wheels	C20626200	2		
<b>Total:</b>				





**SCHEDULE "D"**  
**Form of Bill of Sale**

(See attached.)

A handwritten signature or mark, possibly initials, located in the bottom right corner of the page.

**BILL OF SALE**

**THIS AGREEMENT** is made as of the 27 day of May, 2024,

**BETWEEN:**

**1263343 ALBERTA INC. (d/b/a LYNX AIR)**, a corporation existing under the laws of the Province of Alberta (the “**Vendor**”)

- and -

**AERO3 INC.**, a corporation existing under the laws of the State of Delaware (the “**Purchaser**”)

**WHEREAS** the Vendor has agreed to sell, and the Purchaser has agreed to purchase, the assets described in Schedule “A” hereto (collectively, the “**Inventory**”), on the terms and conditions set forth in an asset purchase agreement between the Vendor and the Purchaser (the “**Asset Purchase Agreement**”).

**NOW THEREFORE** in consideration of the payment by the Purchaser to the Vendor in consideration for the amounts set forth in the Asset Purchase Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereto covenant and agree as follows:

1. The Vendor hereby sells, transfers, assigns, sets over and conveys to the Purchaser all of the Vendor’s right, title and interest as of the date hereof in and to the Inventory, and all rights, benefits and advantages whatsoever to be derived therefrom accruing from and after the date hereof to have and to hold the same unto the Purchaser absolutely.
2. The Vendor represents and warrants that the Vendor has good and marketable title to the Inventory and that the Inventory conveyed hereunder are free and clear of all liens, charges, encumbrances and liabilities of any kind.
3. The parties agree that they shall execute and deliver, at the reasonable request of the other, such further assurances as may be necessary to give full effect to the intent and meaning of this Agreement.
4. This Agreement shall be interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
5. This Agreement shall be binding upon and enure to the benefit of each of the parties hereto and upon their respective successors and assigns.
6. This Agreement may be executed in counterpart and that the executed counterparts shall together form this Agreement. Any such executed counterpart may be delivered by facsimile transmission or by email in PDF and will be deemed to be an original document.

**IN WITNESS WHEREOF** the parties hereto have duly executed this Agreement effective as of the date first above written.

**1263343 ALBERTA INC.**

By: \_\_\_\_\_

Name:

Title:

**AERO3 INC.**

By:  \_\_\_\_\_

Name: PAUL SEVERIN

Title: EXECUTIVE V.P

**SCHEDULE "A"**

**Inventory**

<u>Unit Description</u>	<u>Part Number</u>	<u>Serial Number</u>	<u>Condition</u>	<u>Purchaser Possession</u>
Main Wheels w/Tires	3-1674	D5567/D5567	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D7633/D7633	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D5540/D5540	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D2378/D2378	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D8504/D8504	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D8503/D8503	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D7635/D7635	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D6952/D6952	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D5543/D5543	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D5575/D5575	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D5542/D5542	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D7228/D7228	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D1202/D1202	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D7196/D7196	As Removed / Serviceable	Yes
Main Wheels w/Tires	3-1674	D7229/D7229	As Removed / Serviceable	No
Main Wheels w/Tires	3-1674	D5547/D5547	As Removed / Serviceable	No
Main Wheels w/Tires	3-1674	D7841/D7841	As Removed / Serviceable	No
Main Wheels w/Tires	3-1674	D5566/D5566	As Removed / Serviceable	No
Main Wheels w/Tires	3-1674	D5553/D5553	As Removed / Serviceable	No
Main Wheels w/Tires	3-1674	D6923/D6923	As Removed / Serviceable	No
Main Wheels w/Tires	3-1674	D5539/D5539	As Removed / Serviceable	No
Main Wheels w/Tires	3-1674	D5546/D5546	As Removed / Serviceable	No
Nose Wheels w/Tires	3-1559	D2533/D2533	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D2702/D2702	As Removed / Serviceable	Yes

Nose Wheels w/Tires	3-1559	D1086/D1086	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D2534/D2534	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1095/D1095	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1697/D1697	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D2698/D2698	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1604/D1604	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D0855/D0855	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D0553/D0853	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1089/D1089	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D0860/D0860	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1099/D1099	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D2129/D2129	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D2344/D2344	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1101/D1101	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1092/D1092	As Removed / Serviceable	Yes
Nose Wheels w/Tires	3-1559	D1624/D1627	As Removed / Serviceable	No
Nose Wheels w/Tires	3-1559	D1937/D1937	As Removed / Serviceable	No
Nose Wheels w/Tires	3-1559	D0856/D0856	As Removed / Serviceable	No
Nose Wheels w/Tires	3-1559	D0854/D0854	As Removed / Serviceable	No
Nose Wheels w/Tires	3-1559	D2489/D2489	As Removed / Serviceable	No
Brake Assemblies	2-1740-1	D3680	New/Serviceable	Yes
Brake Assemblies	2-1740-1	D4189	New/Serviceable	Yes
Brake Assemblies	2-1740-1	D5351	New/Serviceable	Yes
Brake Assemblies	2-1740-1	D6048	New/Serviceable	Yes
Brake Assemblies	2-1740-1	D5349	New/Serviceable	Yes
Brake Assemblies	2-1740-1	D4261	New/Serviceable	Yes
Brake Assemblies	2-1740-1	D5353	New/Serviceable	Yes

Brake Assemblies	2-1740-1	D4348	New/Serviceable	Yes
Brake Assemblies	2-1740-1	D4266	Unserviceable	No
Main Wheel Assembly	C20626200	W098C20626	New	No
Main Wheel Assembly	C20626200	W071C20625	New	No

